

Planned Giving

There are a number of ways you can support the Northeastern Pennsylvania Council's work while providing real financial benefits for yourself or your family. Planned giving is a valuable and creative approach that takes advantage of the incentives provided by the Internal Revenue Service to design a gift you can make now without impacting your cash flow, lifestyle or family security. With proper planning, you can receive an immediate income tax deduction, provide yourself or a loved one with an annual income, and provide meaningful support for the Northeast Pennsylvania Council and our work. Please consult with your attorney or financial advisor before making any decisions.

Where to begin?

There are many options for making a planned gift. Once you have determined what type of gift is right for you, please contact the NEPA Council at 570 207-1227.

Regardless of the type of planned gift you chose, the basic information you will need for your attorney or financial advisor is below:

Northeast Pennsylvania Council, BSA
72 Montage Mountain Rd
Moosic, PA 18507
Federal Tax ID: 23-2602695



Planned Gift Options

Gifts that cost you nothing during your lifetime.

Bequest

A bequest can be in your will and can be a stated dollar amount of cash, a particular asset, or a percentage of your remaining assets after debts, costs and other bequests. A bequest can also be contingent upon a certain event such as the passing of other beneficiaries. With a bequest, your assets remain in your control during your lifetime, you can modify your gift to address changing circumstances, and under current tax law, there is no upper limit on the estate tax deduction for your bequest.

Sample bequest language:

“I hereby give, devise, and bequeath to the Northeastern Pennsylvania Council, BSA, a nonprofit organization now, or formerly, located at 72 Montage Mountain Rd, Moosic, PA 18507 the sum of \$_____* to be used for its general purpose.” (*May be a monetary figure or a percentage of the estate) If your bequest is in a trust, it is important to decide whether to make the trust revocable or irrevocable. A revocable trust allows you and your family to modify the gift at any time, whereas an irrevocable trust removes the trust’s assets from your taxable estate and prevents the bequest from being challenged after your death.

Codicil

A codicil is a minor amendment to your will which avoids the cost and complication of rewriting an entire will. It must be signed and witnessed or notarized.



Gifts “outside” a will that cost you nothing during your lifetime

Life Insurance

A life insurance policy is an asset that is often overlooked and can be very rewarding especially if the policy is paid in full. When the policy is something you no longer need, gifting it to the Northeastern Pennsylvania Council, BSA can be an opportunity for you to leverage your dollars to make a larger gift than would otherwise be possible and receive a partial income tax deduction. You transfer ownership of the policy to the Northeastern Pennsylvania Council BSA and we can elect to hold the policy or cash it in.

Retirement Plans

Your retirement plan can be subject to estate taxes upon the death of the lifetime beneficiary and the heirs will pay income taxes upon receiving distribution from the plan. When you name the

Northeastern Pennsylvania Council, BSA as a beneficiary of all or a portion of your qualified retirement plan, you receive several benefits. Your charitable contribution of the plan will not be subject to estate and income taxes, you can continue to take regular withdrawals, and you maintain flexibility to change beneficiaries if your family's needs change during your lifetime.

Stock and Appreciated Securities

When you donate appreciated stocks, bonds, real estate or collectibles you will receive an immediate tax deduction on the market value of the securities, regardless of what you originally paid for them, and you will also avoid the capital gains tax when the securities are sold. Because of these benefits, giving appreciated securities rather than cash from the sale of them means you can make a larger charitable contribution.

Gifts that pay you income

Charitable Gift Annuity

This is a simple contract between donor and charity and also the most popular type of planned gift. The gift can be funded with as little as \$10,000 and can be comprised of cash, stocks or bonds. You transfer the gift to the Northeastern Pennsylvania Council, BSA for a partial tax deduction and fixed payments are made to you or your named beneficiaries for life. Upon your death, the Northeastern Pennsylvania Council, BSA keeps the gift.

Charitable Remainder Trust

This type of gift requires a trustee that can be the charity, an attorney, bank, or financial advisor. It is an irrevocable trust that can be established while you are alive or put in your will or revocable trust to be initiated at time of your death. Upon the transfer of cash, securities or other appreciated assets to the trust, the trust makes fixed annual payments to you or beneficiaries for a specified number of years. The person who established the trust will receive either an income tax deduction if it is created during that person's life, or an estate tax deduction if it is initiated upon death. You pay no upfront capital gains tax on the appreciated assets you donate and the annual income of the trust can be tailored to meet personal or family needs. When the trust terminates, the remaining value will be passed to the Northeastern Pennsylvania Council, BSA.

There are two types of charitable remainder trusts:

Annuity—provides fixed annual payments to beneficiaries based on initial fair market value of assets contributed to it.

Unitrust—provides variable annual payments to its beneficiaries based on fair market value of its assets as calculated annually (a percentage of the value of the principal).



Gifts that protect your assets

Charitable Lead Trust

This type of gift also requires a trustee that can be the charity, an attorney, bank, or financial advisor. It is an irrevocable trust that can be established while you are alive or in your will or revocable trust to be initiated at time of your death. You contribute appreciated assets or securities and the trust makes a fixed or variable annual payment to the Northeastern Pennsylvania Council, BSA for a period of time. When the trust terminates, the remaining principal is paid to you or your heirs. This type of trust allows the Northeastern Pennsylvania Council, BSA to receive income for a certain period of time while also reducing the ultimate tax cost of transferring an asset to your heirs. This type of trust can also be set up as an annuity or unitrust.

Real Estate

You can donate your residence, vacation home or farm now while retaining the right to use and occupy it for life. At your death, Northeastern Pennsylvania Council, BSA owns the property in its entirety. This type of gift gives you a double tax benefit: an immediate charitable deduction and avoidance of capital gains tax.

Disclaimer: Nothing in this document should be construed as legal advice. Please contact your attorney or financial advisor to help you decide what is best for your personal situation.