The English High School
of Boston

Motivations Behind Planned Giving

Above all, planned giving preserves a donor's legacy. Donors first begin thinking about planned giving when they are nearing retirement age, between the ages of 40 and 60. So, donors may give to organizations that act in accordance with their personal values and beliefs. As a result, their planned gift symbolizes the relationship they've cultivated with the cause they've given to. If anything, they want their contribution to help secure the future of the organization. It also represents their commitment to positively impacting communities in actionable ways.

What is Planned Giving?

Planned giving is also referred to as gift planning or legacy giving. In a nutshell, it is a donor's intention to contribute a major gift to an organization, beyond their lifetime. So, unlike an annual gift (an outright gift made for current use), a planned gift is for the future. Essentially, donors make arrangements for planned gifts in the present but they are actually doled out at a later date.

So by definition, planned giving is not limited by donors' current wealth. Unlike the value of donations, donors contribute on a recurring basis, planned giving enables them to contribute gifts that they wouldn't ordinarily be able to make. The gifts donated end up being larger and aren't dependent on one's regular income.

Top 3 Tax Vehicles for Planned Giving

In order for an individual to leave behind a major gift, planned gifts can take many different forms. They can take the form of real estate, personal property, life insurance, or even cash. However, the majority of English Alumni donors seem to gravitate towards 3 primary planned giving options:

1. Bequest

A gift (typically cash; personal property; real estate; stocks; or bonds) left behind in a will for a group, individual, or organization. There are four types of charitable bequests:

- **General Bequests**: gifts of property taken from the assets of an estate.
- **Demonstrative Bequests**: gifts that come from a source, such as a bank account.
- **Specific Bequests**: gifts of personal property such as cash, jewelry, or other tangible assets.

2. Annuity

A fixed sum of money paid to English High Alumni Association of Boston each year. Also known as a charitable gift annuity, a donor transfers cash, security, or assets to a cause in exchange for a partial tax deduction.

3. Trust

A legal entity whereby an individual holds or invests property as its titular owner. This can be adopted for English High Alumni Association or other beneficiaries. Additionally, there are two types of charitable trusts:

- **Charitable Remainder Trust**: a tax-exempt trust created to reduce an individual's taxable income by dispersing their earnings to the beneficiaries of the trust over time. The remainder of the trust goes to the organization outlined in the trust.
- **Charitable Lead Trust**: this is the inverse of a charitable remainder trust. The trust provides financial support to multiple causes over a specified period of time.

If you're ready to take advantage of these options, please use these links to use the appropriate forms with your accountant, financial administrator, or attorney.

Setting up a Bequest with EHSA.

Gifting an IRA.