REFORMED THEOLOGICAL SEMINARY
CHARLOTTE

Planned Giving – 25th Anniversary Campaign

How does a planned gift differ from a regular gift?

After tithing, regular charitable gifts are often made when an individual or couple considers the amount of money coming into their household or business and decides how much of this *current income* they would like to, and can, give to ministry or other charities. *This reliable, faithful current giving is critical to RTS.*

Planned giving (also known as gift planning), on the other hand, often involves a broader consideration of *both income and assets in both the present and the future*. Before making a planned gift, an individual or couple might consider not only the amount of their current income but also the amount (and type) of their current assets and what their income and assets might be in the future.

What are some other considerations in planned giving?

Age or season of life often affect planned giving decisions. You might decide to consider a planned gift if:

- You are considering a change in your estate plan.
- You are approaching retirement age or your children are entering a stage of life when they will become more financially independent.
- Regardless of age, you have experienced financial success such that your income and/or assets – whether by salary, business ownership, investments or inheritance – exceed your personal needs.

The type of assets you own, whether you need more (or less) current income, and certain other tax considerations often affect planned giving decisions. For example, the following assets can be used to make a planned gift and potentially reduce taxes:

- Appreciated stock or mutual funds
- Appreciated real estate, whether income producing or not
- IRA or 401(k) assets
- Life insurance

What is a specific example of a planned gift to RTS that a person in their 60s or 70s might consider?

Here are four examples to consider . . . **QCD from an IRA.** A newly permanent provision in the tax code allows a person age 70½ or older to give to RTS by making a qualified charitable distribution (QCD) directly from their Individual Retirement Account (IRA). Your gift cannot be larger than $100,000 per year. The amount of the gift can count towards your minimum required distribution (MRD or RMD).

Charitable Gift Annuity. Purchasing an annuity from RTS Foundation may allow you, especially if 65 or older, to earn a higher interest rate than you might earn on a bond, bank account or certificate of deposit.

Will or Trust. Consider amending your will or trust to make RTS a beneficiary or recipient of a specific dollar amount, a specific asset or a certain percentage of the value of your estate.

IRA, 401(k), Life Insurance. Consider naming RTS as a primary or secondary beneficiary, in whole or in part, of one or more of your retirement accounts or life insurance policies.

To discuss these or other options for giving to the RTS Charlotte 25th Anniversary Campaign, please contact Ed Barnes at (704) 451-1637 or ebarnes@rts.edu.

November 13, 2017