

Gifts of Life Insurance

An annual end-of-year examination of your life insurance needs can highlight ways to support the ministry of your choice while not decreasing the balance in your checking account. Do you own a life insurance policy that you no longer need? Consider using it as a 2016 year-end charitable gift to support your favorite United Methodist ministry.

To receive a charitable deduction, name The Foundation as both the owner and beneficiary of the policy. If the policy has a cash value, you can take a charitable deduction approximately equal to the cash value at the time of the gift. In addition, if you continue to pay annual premiums, those payments may be tax deductible each year.

If there are still beneficiaries who need the proceeds of any life insurance you may have, consider making The Foundation the second, third, or final beneficiary. In the event your beneficiaries predecease you, then the life insurance would pass directly to The Foundation.



Gifts of Securities

If you have stocks or bonds that have increased in value that you have owned for at least one year, you can give them to The Foundation and claim the full fair market value (up to IRS limits) as a charitable contribution. The Foundation will distribute the cash proceeds from the sale of the securities to the Church or ministry you select. If the securities have decreased in value, you may be able to claim a capital loss and a deduction for a charitable contribution if you sell the security and give the proceeds to The Foundation.

Consider the Possibilities

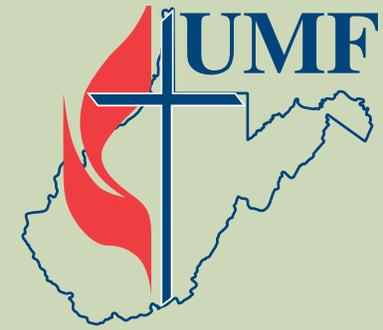
A single publication cannot provide you with all of the information you need for your specific situation. Contact your financial advisor to assist you in tailoring your charitable giving to your specific needs.

We welcome the opportunity to work with you and your financial advisor as you consider the possibilities of accomplishing your charitable goals this year.

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United Methodist Foundation
of West Virginia, Inc.



Charitable
Giving at
Christmas
Consider the Possibilities

2016 Year-End Gift Ideas

In this Season, as we celebrate God's coming into the world to save us, consider how you can express gratitude to God for loving you and giving you so much? One way is to give to others. Make gifts by December 31 of this year to experience the joy of giving and to garner potential tax savings. Consider making a donation to a ministry as an alternative Christmas gift to a loved one.

Careful consideration of the form and timing of your charitable gifts can help magnify the effect of your gift on ministry. You may learn that you can make a gift you didn't think was possible.

Gifts of Cash

A gift of cash is the easiest way to support ministry and receive a charitable deduction. In order to qualify for a deduction this year, your charitable gift must be received on or before December 31, 2016. The full amount of your gift may qualify for a 2016 charitable deduction up to IRS limits.

Retirement Accounts

To reduce the effect of mandatory minimum distributions on your taxable income at year end, you may want to consider making a charitable gift with some or all of your distribution. Giving in this way may result in little or no tax impact when you report the amount withdrawn along with an offsetting charitable deduction.

Consider the possibilities of an IRA Charitable

Rollover. People who are 70 ½ years old or more may transfer up to \$100,000 per year directly to a qualified charity (such as the United Methodist Foundation). The transfer is a non-taxable event; it is not reported as income, and there is no charitable contribution deduction. A charitable IRA Rollover may fulfill part or all of your required minimum distribution (RMD).

You can also make The Foundation a beneficiary of all or a percentage of your IRA since distributions from retirement accounts to individuals are taxable.



Life Income Gifts

Life income gifts allow you to make a gift now and receive payments throughout your lifetime, or the lifetime of those you designate as beneficiaries. The most common types of life income gifts are charitable gift annuities and charitable remainder trusts.

A charitable gift annuity is a simple contract between you and The Foundation. You make a gift, and The Foundation makes annual payments to you for life at a rate based upon your age. You are eligible for a

charitable tax deduction in the year of the gift, and part of the payments you receive are tax-free. At the end of your life, the charitable remainder will benefit the ministry you have selected. See the table below for examples of a charitable gift annuity based upon a \$10,000 gift.

Age	Rate	Annuity Payment	Tax Free Portion	Value of the gift for tax purposes
60	4.4%	\$440	\$333	\$2,086
70	5.1%	\$510	\$412	\$3,615
80	6.8%	\$680	\$582	\$4,758
90	9.0%	\$900	\$847	\$6,183

Charitable remainder trusts pay you either a fixed percentage of the fair market value (unitrust) or a fixed amount (annuity trust) of the assets held in trust. You are eligible for a charitable tax deduction for the original gift and for any subsequent gifts to the trust.

Bequests

The end of the year provides a good time to review your estate plan. A bequest from your will to The Foundation can support the ministry you love and can create a legacy that is a testament to your faith. Bequests can be for a specific amount, a particular asset, a percentage of your estate or the residual of your estate. Bequests can be contingent on something else happening, such as being predeceased by your spouse and other potential heirs. If your estate is taxable, charitable bequests reduce the taxable estate.