

holistic financial stewardship

HOLISTIC FINANCIAL STEWARDSHIP

“BUT LAY UP FOR YOURSELVES TREASURES IN HEAVEN, WHERE NEITHER MOTH NOR RUST DOTHS CORRUPT, AND WHERE THIEVES DO NOT BREAK THROUGH NOR STEAL: FOR WHERE YOUR TREASURE IS, THERE WILL YOUR HEART BE ALSO.”

MATTHEW 6:20, 21

Within the church, as in other institutions, people make charitable gifts at three levels: to annual appeals, to capital campaigns, and through planned or deferred gifts. Translated into the language of the Church this becomes ordinary, extraordinary, and ultimate giving.

Ordinary gifts are given by people on a regular and ongoing basis to support the annual operations of the church. Capital gifts are usually given in response to a special campaign in which there is a definite beginning and an end.

The planned gift is the ultimate form of Christian witness. It may be the largest gift one makes to the Church and is often a once-in-a-lifetime gift. The motivation for arranging a planned gift is often a person's response to an affection and concern for the Church and in support of its ministry. Since planned gifts are almost always given from accumulated assets, such as stocks and bonds, real estate, business interests and so forth, they are most often given through one's will or living trust.

However, there are some people who have such a large asset (often paying little or no income to the person) that to give it away outright, even at death, would cause adverse tax consequences to them or their estate. In this situation, the person can establish what is generally known as a life income gift.

With such a gift (such as a charitable gift annuity, pooled income fund, or charitable trust), the person gives the asset away but keeps the income being generated by the asset. By giving it away they bypass all or a portion of capital gains, receive a charitable income tax deduction, remove the asset from their estate and at the same time receive an income stream for their life and the lives of others if that is needed or desired.

After all of the intervening interests have been satisfied, then the Church receives what is called the remainder interest. Gifts such as the Charitable Gift Annuity, for example, can be arranged for as little as \$5,000. These types of gifts are mutually beneficial: to the person arranging the gift and to the Church.

The ultimate or planned gift is an excellent way in which every parishioner is able to leave his or her own legacy. Such gifts do not need to be used for the annual operations of the parish or for any special capital needs. In fact, in most cases they are restricted from such use. In this way the parishioner's planned gift is pooled with other gifts to expand and grow the parish's endowment, the income of which can be used to fund future ministry.

For the free booklet, *Making a Planned Gift*, or for more information on leaving a gift to your parish, contact a Planned Giving committee member or the Episcopal Church Foundation at (800) 697-2858, www.episcopalfoundation.org, for confidential advice.