



ENOCH PRATT *free* LIBRARY
your journey starts here

Planned Gift Options

Thank you for considering a planned gift to Enoch Pratt Free Library to support the Library's vital services and programs today and in the future.

Summarized below are several giving vehicles that allow you to defer a gift to charitable organizations that are meaningful to you, like the Pratt Library, until after your death. These planned gift options will not have a financial impact on your current assets or lifestyle.

BEQUESTS: Make a deferred gift easily. Naming the Enoch Pratt Free Library a beneficiary in your will or revocable trust is simple. You may choose to leave a specific amount of cash, securities or other assets; a percentage of your total estate; or whatever is left after you have fulfilled your other commitments. The Enoch Pratt Free Library can provide you and/or your legal counsel with appropriate bequest language. (*For more information on bequests, see "Making a Charitable Gift Through Your Will".*)

BENEFICIARY DESIGNATIONS: Fund your legacy simply with tax advantages. You can name the Enoch Pratt Free Library as a beneficiary of some or all of your retirement plan, life insurance policy, and other financial accounts. This is a simple way to provide for the future of the Pratt Library, while avoiding estate and income taxes, which could consume a substantial portion of your estate.

- **Retirement Plan:** Many people do not know that, when retirement plans such as pension funds, 401ks, 403bs, and IRAs are left to an individual other than a spouse, they can be subject to income *and* estate taxes. The two taxes combined could erode up to 70% of the remaining benefits. In these cases, the choice is between leaving \$30 to your children or \$100 to your favorite charity. By designating a nonprofit organization as a beneficiary, you can support charities like the Pratt at a sharply reduced cost to your family.

To name the Library as a beneficiary, contact the administrator of your retirement plan to complete or update your plan's beneficiary form.

- **Life Insurance Policy:** If you own a life insurance policy that you no longer need for the protection of your family, you may use it to make a gift to the Enoch Pratt Free Library. One way to give a life insurance policy to the Library is to name it as the owner of the policy, i.e., to transfer the policy itself to the Library. In doing so, you qualify for an income tax deduction for the cash value of the policy. Alternatively, you could name the Library the beneficiary of the policy. In this case, your estate would be entitled to an estate tax deduction equal to the policy proceeds.

- **Other financial accounts:** Many people hold their financial assets in bank and brokerage accounts. If you wish to give any of these to the Pratt Library, ask your bank or broker for the proper forms to designate the Pratt as an account beneficiary. In this manner, these assets pass directly to the Library and do not pass through probate, avoiding both the delay and fees involved in that process.

Charitable Gift Annuity: Make a meaningful gift to the Pratt and receive a stream of lifetime payments.

A Charitable Gift Annuity is a contract between you and the Pratt whereby you make an irrevocable gift of cash or property to a charity in exchange for a partial tax deduction and a lifetime stream of annual payments to you (and a second person, if you choose that option). Upon the death of the annuitant(s), the Library receives the balance from your Charitable Gift Annuity.

Charitable Trusts: Make a charitable gift that benefits both the Library and your family in a tax-advantaged manner.

A charitable remainder trust is an irrevocable trust which provides an income stream to one or more beneficiaries for life or a specified term of years. At your death or at the termination of the trust, the principal is distributed to the Library. You may choose a fixed level of income (an Annuity Trust) or a fixed percentage of the trust's value each year (a Unitrust).

Charitable Lead Trust: Make a gift that benefits the Library now and protect assets for your family and other beneficiaries.

With a charitable lead trust, you transfer assets (usually cash or securities) to a trustee of your choice through a formal trust agreement. Your trustee invests the trust assets and makes annual payments to the Library. At the end of the trust term, the trustee distributes the trust assets, including any appreciation, to your beneficiaries.

Anyone considering a planned gift should consult with his or her attorney, tax accountant, or financial planner before executing any legal documents.

For more information about leaving a charitable bequest to the Pratt Library through your will, please contact Cindi Monahan, Director of Institutional Advancement, (410) 396-5314, cmonahan@prattlibrary.org