

Build a Legacy, Transform the Future

A Guide to Planned Giving



Trinity Avenue
PRESBYTERIAN CHURCH

Trusting God. Living in Christ. Loving all.

Table of Contents

The Impact of Personal Philanthropy	3
Discerning Giving for Today and Tomorrow	4
Outright Gift of Cash or Check	5
Personal Property and Securities	6
A Current Will or Trust	7
Your Retirement Plan Assets	8
Life Insurance.....	9
Charitable Gift Annuities.....	10
A Note From the Endowment Ministry Team.....	11
Appendix- Sample Language for Will.....	12
Appendix- Gifting through a Donor Advised Fund.....	13
Appendix- Notifying TAPC About Your Gift.....	14
Appendix- Sample Endowment Agreement.....	15
Appendix- Sample Endowment Purpose.....	16

The Impact *of* Personal Philanthropy

AS WE ALL CONFRONT THE CHALLENGES OF THE FUTURE, we know the generosity of those who assist charitable organizations will have a tremendous impact on the success of those organizations. This is true for Trinity Avenue Presbyterian Church.

A strength of our congregation is the dedication of faithful members and their families. Historical generosity has strengthened our capacity as a congregation to trust God, live in Christ, and love all.

Your annual pledged gifts that support the operations of the church are critical to support the mission and ministries of the church.

You are also invited to consider additional types of giving to TAPC: endowment fund giving and planned giving. Both are ways to support the Church and its mission for generations to come. To give an endowed gift is to place responsibility in an entire community for the foreseeable future - an act of faith and trust. To make a planned gift, known also as an estate gift or a legacy gift, is to dedicate accumulated assets with the church beyond your lifetime.

We believe God uses the raw materials of our time, talents, and treasure to be agents of 'thy kingdom come, thy will be done, on Earth as it is in Heaven.'

In addition to making a difference in the lives of others, the best gift plans improve your financial and tax situation — often right away. The pages that follow share some of these benefits. Note that the information presented in the following pages should not be construed as legal or tax advice. **AS ALWAYS, WE ADVISE YOU TO DISCUSS THESE OPTIONS WITH YOUR FINANCIAL, LEGAL AND TAX ADVISOR.**

Discerning Giving *for* Today and Tomorrow

The Endowment Ministry Team recognizes that giving to the church is an act of finance and faith. Below is a chart that compares types of giving to the church to help you discern your current and future gifts.

	Make an Impact TODAY	Provide for the Ministries of TOMORROW	
	Annual Pledged Gift	Endowment	Planned Gift
Why give	To support the mission of the church and contribute to its ministries.	To extend ministries beyond the annual budget of the church and create a long-term legacy for a project or program that is meaningful to you.	To continue your ministry and faithful stewardship after your lifetime, as an enduring act of faith.
How it helps	Provides funding for the church's ministries each year, from programs to outreach; from facilities to personnel.	Establishes a fund with a principal which is invested then generates interest to fund activities of the church now and in the years to come.	Creates a pathway to make a gift that you might not be able to make in your lifetime, by either supporting the church's operating budget, a special project, or creating an endowment.
Impact	You see the immediate impact of your generosity on the life & ministries of the church.	You ensure that important ministries of the church continue in perpetuity, by creating a permanent source of income for the church.	You expand your giving to the church by re-deploying your accumulated resources to care for the congregation – both its ministries and its people – in a significant way.
Ways to give	Check, cash, credit card, appreciated securities, DAF gift, qualified charitable distribution from IRA	Check, cash, credit card, appreciated securities, DAF gift, qualified charitable distribution from IRA or through a planned gift.	Charitable bequest, retirement plan beneficiary designation, life insurance policy, charitable gift annuity

You will be enriched in every way for your generosity, which will produce thanksgiving to God.
2 Corinthians 9:11

OUTRIGHT GIFT OF CASH OR CHECK

A cash gift by check is one of the most common and easiest methods for making an outright charitable contribution.

If you itemize income tax deductions on your tax return, the first tangible benefit of making a gift by cash or check is the tax deduction for the full value of your gift.

Charitable deductions for cash gifts to public charities are limited to 60 percent of your annual adjusted gross income. Any unused deduction can be carried over to reduce future income tax liability and used for up to five additional years, giving you six full years to use the deduction.

The second benefit is seeing the immediate results of your generosity. When you make a cash gift, you are demonstrating a strong commitment to help support a charitable organization's mission and contributing to its success.

Benefits

- Receive a current income tax deduction.
- Reduce your potential estate taxes in the future.
- Determine the exact amount of your desired support.
- Experience the joy of giving today.

DID YOU KNOW?

5% of TAPC's expenses in 2025 will be supported by income from the endowment – that's equal to 10 of TAPC's household pledges! Those thoughtful gifts to the endowment in the past are having meaningful impact today.

PERSONAL PROPERTY AND SECURITIES

Any type of asset you irrevocably donate to a charitable organization results in a current income tax deduction, but there may be other tax benefits from your contribution.

Gifts of appreciated property held more than one year have the added benefit of eliminating the tax on the gain.

You can also give tangible personal property (like an art object, prized collection or antique) and take a deduction for its full fair market value if the gift is used for an organization's exempt function. If an asset is not used for an organizations exempt purposes then you are limited to a cost basis deduction.

These are but two of the types of assets you can donate outright. Donating assets other than cash allows you more flexibility when planning your gift, and there are even more potential benefits if you plan your gift creatively.

Benefits

- Receive a current income tax deduction for gifts of securities.
- Provide relief from capital gains tax with gifts of securities.
- Make meaningful gifts with donations of personal property.
- Help fulfill an organization's mission with your contributions.

EXAMPLE

Dave has stocks currently valued at \$20,000 that he purchased for \$4,000 several years ago, which will result in a \$16,000 capital gain if he sells the securities. He is in a 28 percent marginal income tax bracket. Dave decides to donate the stock to his favorite charitable organization instead of selling it. By doing this, Dave receives an income tax charitable deduction for the full fair market value of \$20,000 and eliminates any capital gains tax.

A CURRENT WILL OR TRUST

Have you postponed making or updating your will or living trust?

Drafting these documents may seem like a daunting task at first, until you realize all the benefits they provide.

A gift in your will or living trust allows you to make a meaningful gift with ease and be flexible in your commitment.

You can give cash, specific property or a percentage of your estate, with restrictions or without. Because your gift doesn't go to the organization until after your lifetime, you can change your mind at any time.

To ensure your will accomplishes your goals, we recommend you obtain the professional counsel of an attorney who specializes in estate planning.

Benefits

- Balance your commitment to family with a desire to support a charitable organization.
- Distribute your assets according to your wishes.
- Save on estate taxes with proper planning.
- Build a legacy without giving up assets today.

DID YOU KNOW?

More than half of all Americans pass away without a will. When this happens, assets are distributed according to the state laws where the deceased lived at the time of his or her passing.

YOUR RETIREMENT PLAN ASSETS

As much as 37 percent of your retirement plan assets can be consumed by taxes when given to your family. To eliminate taxation of these assets, many people use their retirement plan assets to make gifts to tax-exempt charitable organizations and leave less heavily taxed assets to family.

If you can make other provisions for your family, there is a better option for your retirement plan assets—a charitable gift after your lifetime.

To name a charitable organization as the beneficiary, first consult your tax advisor, then instruct the plan administrator of your decision and complete the required documentation. For an IRA or 403(b) plan you administer personally, notify the custodian in writing and keep a copy with your valuable papers.

EXAMPLE

Beth wants to provide for her children, but she also wishes to leave a charitable gift. Beth decides to pass on income tax-free inheritances such as real estate, cash and life insurance to her heirs and give her retirement plan assets to her favorite charitable organization. The assets in her account will pass to the charitable organization free of any income tax obligation. In addition, Beth's gift qualifies for an estate tax charitable deduction. Most important, Beth can change her mind at any time about the gift.

Benefits

- Eliminate all federal income and estate taxes by naming an organization as the primary beneficiary.
- Receive partial savings when giving an organization a specific amount before transferring the remainder to your family.
- Name an organization as the contingent beneficiary, allowing greater flexibility.
- Make the most cost-effective gift possible, saving less-taxed assets for loved ones.

LIFE INSURANCE

When you first obtained your life insurance policies, you obviously felt a need for them. Perhaps you do not need all that coverage today, yet you still have those policies.

A gift of your life insurance can be a sensible, as well as generous, course of action. If you make the charity the owner of the policy, you will normally receive an income tax deduction for the policy's fair market value or cost basis, if lower, on the date of the gift. If you name a charity as beneficiary of the policy (and retain ownership), you won't be eligible for current tax benefits because the gift is revocable at any time.

Whether you name an organization as owner of the policy or name it as the beneficiary while you retain ownership, your estate will not pay estate taxes on the policy proceeds the organization receives.

Benefits

Name an organization as owner

- Receive a charitable income tax deduction by naming an organization as beneficiary and assigning it ownership.
- Receive a future income tax deduction by naming an organization as owner and continue paying premiums.

Name an organization as beneficiary

- Obtain flexibility by naming an organization as primary beneficiary but keep ownership.
- Name an organization as contingent beneficiary and secure your family's needs first.

3 OPTIONS: Life Insurance Policies you Can Give

1. A recently issued policy
2. An existing policy in premium-paying mode
3. A paid-up life insurance policy

CHARITABLE GIFT ANNUITY

The concept of a gift annuity is simple. You donate assets that a charitable organization invests. The organization agrees to make fixed payments to you for life (and, if desired, for another beneficiary's lifetime). At the end of the agreement, the funds are available for the organization to use.

A charitable gift annuity is attractive because it ensures you a stream of income that you can't outlive. It is also a superb way to make an enduring gift that supports an organization when the balance becomes available for its needs.

The rate you receive is determined by your age on the date of the gift. Annuity rates are higher for older donors, but the rate remains constant once the gift is made. For two lives, the rates are slightly lower because the period of payment is usually longer.

Benefits

- Receive lifetime payments for yourself and possibly another person.
- Obtain a charitable deduction for a portion of the value of the gift.
- Secure partially income tax-free payments.
- Save on capital gains taxes when you contribute appreciated securities.

The Impact *of* Personal Philanthropy - Conclusion

A NOTE FROM THE TRINITY AVENUE PRESBYTERIAN ENDOWMENT MINISTRY TEAM:

Giving to TAPC is an expression of faith to help the church, a joyful act of worship in response to God's gifts.

As members of the Endowment Ministry Team, we ask you to prayerfully consider making a planned gift to create or contribute to an endowment fund for the church.

An endowment fund extends ministries beyond the annual budget of the church and creates a long-term legacy for a project or program that is meaningful to you. The fund is established with a principal which is invested then generates interest to fund activities of the church now and in the years to come. Our team has enlisted the help of professional advisors that have experience working with community-focused endowments; they help manage and organize the funds, providing updates and ongoing support.

Thank you for your trust and generosity as you consider this decision of finance and faith. We welcome your questions or comments.

DID YOU KNOW?

TAPC has 30 endowment funds that support ministries and programs of the church! Endowments support a wide range of purposes, including music ministry, the Memorial Garden and Scouts.

Appendix – Sample Language for Will

The language below may be considered when having a discussion with legal counsel regarding an update to your will to include Trinity Avenue Presbyterian Church of Durham as a beneficiary.

I give, devise, and bequeath to Trinity Avenue Presbyterian Church of Durham, North Carolina (EIN: 56-1645828) ., the sum of \$_____ ... [OR] ____ percent of my assets ... [OR] the following property as described _____
_____ for its general charitable purpose [Optional restricted language: for {insert name of mission or fund or articulate specific purpose}; {to establish and endowment for _____}.

Appendix – Gifting through a Donor Advised Fund

Detailed instructions below for gifting through an established Donor Advised Fund (DAF).

Recommend a DAF grant through your charitable giving account online or by contacting your fund manager. Please have them direct your DAF distribution to “Trinity Avenue Presbyterian Church” and mail to:

Trinity Avenue Presbyterian Church
927 W. Trinity Ave
Durham, NC 27701-1715

Please ask your DAF representative to include your name and address on the distribution so we can thank you for your generosity as well as send you updates on the impact your support makes possible.

Additional information your DAF administrator may require:

- EIN: 56-1645828
- Phone number 919-682-3865
- Category: Religious Organization

Should your financial institution wish to wire or send funds via ACH for the grant, please contact the church financial administrator for assistance.

If you do not have a DAF, contact your financial advisor to learn how to set up a charitable giving account.

Appendix – Notifying TAPC About Your Gift

Notifying the church about your gift ensures the Session knows how to use your gift, provides information for charitable receipts, and allows us to thank you for your generosity. If an endowment gift, please consult with the Chair of the Endowment Ministry Team for additional details to be included.

Sample notification letter on personal letterhead including your address, email and phone; insert details in []:

[Date]

Dear Pastor Katie Crowe and the TAPC Session,

I'm pleased to make [an annual gift or planned gift] of [insert amount] from [insert name of donor(s); if an estate gift distribution write "Estate of ____] to support the ministries of the church. [insert sentence explaining how gift is being made e.g. check enclosed; stocks directed; check to be sent from ____ financial institution; planned giving vehicle].

This is an [annual, planned or endowment] gift to be used for [operating support or other purpose].

[OPTIONAL: add an explanation of why making the gift; note if this gift is made in honor of/in memory of; share an expression of gratitude related to the purpose or ministries of the church; share anything else important to the donor]

In faith and hope,

[Signature]

[Full Name]

Appendix – Sample Endowment Agreement

When establishing an endowment fund, the donor and the church execute an agreement for the Fund. Fund specific information will be inserted in [brackets].

[The donor's name or other chosen title] Fund
An Endowment for Trinity Avenue Presbyterian Church

This fund agreement executed [date/year] sets forth the intentions and understandings of [Donor's name/Donors' names] (the "Donor/Donors") and Trinity Avenue Presbyterian Church (the "Church") for use of a charitable gift. Spendable income from this Endowment (the "Fund") shall be used for [endowment purpose].

All gifts received by the Church for the purposes outlined in this agreement shall be held in an endowed fund and may, for investment purposes, be merged with the general assets of the Church. The Fund and distributions from it shall be managed and administered in accordance with the policies and procedures of the Church and the laws of the State of North Carolina.

Distributions from the Fund shall be used to provide support of the Church. Fund distributions not expended in any given year may be added to the principal of the Fund. Until the value of the Fund principal reaches the minimum funding level necessary to establish an endowment (\$25,000), Fund distributions shall be added to the principal of the Fund. If the value of the Fund does not reach the minimum funding level within five years of the date of execution of this agreement, the Fund will be closed and all of its assets transferred to an existing endowment for the Church.

Any individual, corporation, foundation or group may make additions to this FUND at any time and such additions shall be made subject to the provisions of this instrument.

If, at some future point, the use or purpose for which this Fund was created no longer exists, or the use or purpose has become unlawful, impossible to achieve, impracticable, or wasteful as determined by the Trinity Avenue Presbyterian Church Session, then at the direction of such Elders and guided by the laws of the State of North Carolina then in effect, distributions may be used for a substantially similar use or a purpose consistent with the objectives of the Church, giving due consideration to the donor's/donors' original intent as expressed in this instrument.

Appendix – Sample Endowment Purpose

When establishing an endowment fund, the donor can specify how the income from the endowment is to be used. In consultation with Chair of the Endowment Ministry Team, the donor develops a purpose for the endowment which aligns with the church's mission and needs, as well as the donor's interest.

Endowment purpose format:

Spendable income from the [endowment fund name] shall be used to support [ministry of the church]. [Insert optional personal statement about relevance of ministry]

Example 1: to support the highest priority ministries of the church

Spendable income from the Ellis Jones Endowment shall be used for unrestricted support of TAPC as designated by the TAPC Session. As finance chair for ten years, this unrestricted support reflects Mr. Jones commitment to the financial health of TAPC.

Example 2: to support children's ministry

Spendable income from the Jane Smith Family Endowment shall be used to support TAPC children's ministry for ages 0 to grade 4.

If, at some future point, the use or purpose for which this Fund was created no longer exists, or the use or purpose has become unlawful, impossible to achieve, impracticable, or wasteful as determined by the Trinity Avenue Presbyterian Church Session, then at the direction of such Elders and guided by the laws of the State of North Carolina then in effect, distributions may be used for a substantially similar use or a purpose consistent with the objectives of the Church, giving due consideration to the donor's/donors' original intent as expressed in this instrument.