



## SIMPLE IDEAS TO GIVE IN A NEW WAY

Financial support of Habitat for Humanity of Lafayette can take many forms and the purpose of this brochure is to suggest a few of them in a very general way. Please check with your professional advisor when you are ready to act.

### Charitable Mutual Funds

Several for-profit mutual funds have tools that enable easy and tax-savvy charitable giving. Both options presented here give an immediate tax deduction, donor controls timing of gifts to Habitat, works with cash stock or mutual funds, potential for growth, and have annual operating costs of less than 1%. Two flexible examples are:

#### *Fidelity Charitable Gift Fund*

\$10,000 minimum initial contribution with a 1% set-up fee and four investment pools.

#### *Vanguard Charitable Endowment Program*

\$25,000 minimum initial contribution with no set-up fee and five investment pools.

### Donor Advised Funds

Donor Advised Funds, administered by the National Christian Foundation, are, essentially, private foundations into which one makes deductible, charitable contributions and from which one makes gifts to charitable causes. Those gifts can be made over a period of years, if desired. These funds can accept non-cash assets such as buildings, land and public or private stock. They are a simple and helpful tool for all of your charitable giving.

### Automatic Withdrawals

Giving regularly is very easy with the establishment of an automatic withdrawal. Based on your instructions, Habitat for Humanity of Lafayette can be designated as an automatic monthly or quarterly gift. You can instruct your financial institution to make these automatic gifts to Habitat which begin and end on your command. You also have complete control over the dollar amount of the gift, so it is an easy way to give smaller, steady gifts to support Habitat's work in Tippecanoe, Carroll, and White Counties.

### Tithe to Habitat for Humanity International

The tithe forms the foundation of the Habitat Affiliate Covenant, which calls each affiliate to give at least 10% of its income to help build houses in other parts of the world. Tithing is a sound Christian principle based on sharing the blessings that have graced our lives.



*Building homes with Habitat for Humanity of Lafayette requires much more than hammers and nails!*

# FOR BUILDING THE FUTURE



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OF LAFAYETTE

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# GIVING GIFTS THAT LAST LONGER THAN A LIFETIME



PEACE OF MIND. It is what Habitat for Humanity is all about—providing peace of mind through decent housing to families in need. The homes we live in give us a sense of safety and security every day. In much the same way, charitable gift and estate planning allows you to provide peace of mind and security for yourself, your loved ones, and your charitable interests.

## Giving Through Your Will

Did you know that more than half of all Americans who die each year do not have a will or other estate plan? By not having a will or other estate plan, the legacy you leave behind could be one filled with unnecessary confusion and costs for heirs. In addition, without a valid estate plan or will, no organization or charity may receive any portion of your estate, no matter what your wishes may have been.

Perhaps the most common planned giving arrangement for the benefit of Habitat is the will bequest. Charitable gifts made by will are 100% tax deductible. As with current gifts, bequests may be designated either as unrestricted, giving Habitat the most flexibility, or restricted; that is, designated for a specific purpose. If you wish to include an unrestricted bequest to Habitat in your will, the following language is suggested:

"I give, devise, and bequeath to Habitat for Humanity of Lafayette, Inc. \_\_\_\_\_ percent of all the rest, residue, and remainder of my estate (or

\_\_\_\_\_ dollars, property, securities, etc. described below) wheresoever located to be used for the benefit of Habitat for Humanity of Lafayette in such manner as the Board of Directors thereof may direct."

## Giving Stock

With over 60% of Americans owning securities, it is no wonder more and more people are giving stocks, bonds, and mutual Funds. By giving securities, donors can often benefit from tax savings that may allow them to give more at no greater cost.

Making gifts of appreciated securities need not be complicated. If your securities are held in "street name" at a brokerage, ask that they be electronically transferred to Habitat. This is often the most convenient way to complete the transfer.

## Giving Through Retirement Plans

You may find that you can make a larger gift than you ever thought possible by giving "what's left" in your retirement account, pension plan or other retirement planning vehicle. This allows you to provide for your family first then charitable interests.

Naming Habitat as the beneficiary of a qualified retirement plan is becoming an increasingly popular way to give. Because of the way qualified plans are taxed, at your death relatively little of the assets in the plan may end up in the hands of family members or beneficiaries. These assets not only are included in your gross estate for federal estate tax purposes, but are also taxed when received by the beneficiaries as income with respect to a decedent.

## Giving Life Insurance

Many people have life insurance policies that were originally taken out to protect mortgages that have

since been paid or educational plans that have been completed. Such unneeded policies make excellent gifts.

A planned gift to Habitat may be made through a gift of life insurance. For the gift to be tax deductible, Habitat for Humanity of Lafayette must be the owner and beneficiary. Policies may be new, have premiums remaining to be paid, or be a fully paid policy that you have owned for years. If premiums remain to be paid on a policy for which Habitat is the owner and beneficiary, the payment will be a deductible contribution. Habitat could also be named as the beneficiary of a policy that it does not own. This provision will not provide any current tax advantages, but the money passing to Habitat at the insured's death will qualify for the federal estate tax charitable deduction.

## Giving While Receiving Income

For many people, investments in securities represent a nest egg they plan to rely on for income and security in later years. A number of plans allow thoughtful donors to make gifts while retaining a fixed or variable income for life or for a specified period of time. Through the use of such plans, it can be possible for appreciated securities to be sold and reinvested with reduced or eliminated capital gains tax.

You can thus make a significant future gift, while increasing your current income from appreciated assets. An income tax deduction is also allowed in the year of the transfer for the value of the eventual charitable gift, and the donated asset is also removed from your taxable estate.



Habitat for Humanity of Lafayette's 150th home on Townsend Drive, is a physical reminder of our living endowment from partner family house payments.

PLEASE SEND ME MORE INFORMATION ON THE FOLLOWING:

Giving through my will

Giving through Donor Advised Funds

Giving stocks or bonds

Giving life insurance

Giving through retirement plans

Giving for life income (charitable gift annuities)

Establishing a charitable mutual fund

I prefer to be contacted by:

Mail

Phone

Email

I have included Habitat for Humanity of Lafayette in my will or other long-range estate plans.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_

Zip: \_\_\_\_\_

Email: \_\_\_\_\_

Phone: \_\_\_\_\_