

Diocese of Ontario

**GIFT PLANNING**

*“Wherever your treasure is, there your heart and thoughts will also be.”*  
 Jesus of Nazareth (Luke 12.34)

The active, committed and faithful people of The Anglican Church of Canada provide leadership, ministry and mission support in 30 Canadian dioceses, 1,792 parishes and 2,954 congregations in communities in every part of Canada, as well as with our partners overseas.

Anglicans give generously of their time, energy, abilities and financial resources to do the work of God in many ways, helping to make a difference in people’s lives.

The Resources for Mission department of General Synod works in close partnership with dioceses, parishes and church partners in offering gift planning resources, educational events and seminars, consultations and a wide variety of opportunities for making gifts – all for the purpose of ensuring the continuation and growth of vitally important ministries, encouraging Anglicans to be generous and faithful stewards of all God’s gifts.

More and more Anglicans are giving thoughtful attention now to their stewardship of *accumulated assets*, ensuring that they have valid wills and have planned responsibly for the security and well-being of their families and the support of those institutions and causes which have been important to them.

There are a number of ways to plan your response to God’s generosity through both present and deferred gifts. Your generosity and thoughtfulness will provide for you and your family and friends a sense of satisfaction and delight in being able to make a very real difference in the life and work of your church and other charitable organizations you may wish to support.

The Anglican Church of Canada, through its parishes, dioceses and General Synod, and various related national partners, offers many opportunities for expressions of generosity and committed support. The list of outreach projects, programs and ministries is almost unlimited. When you add to that the importance of caring for our buildings and properties, church growth and the establishing of new congregations and ministries, donors are becoming increasingly creative in providing for the future of our church, helping to ensure its vitality and effectiveness.

We look forward to hearing from congregational leaders and working with you on developing a strategy for gift planning that is appropriate for your parish.

*Consider your possessions loaned to you by God.*  
 St. Catherine of Siena, 14<sup>th</sup> c.

**Gift Planning**

Gift Planning means finding a way to make an important gift to a cause you believe in while still getting the best tax benefits possible and achieving personal financial goals.

A planned gift can be made outright to a congregation for its immediate use, or deferred – arranged now for completion later. Some planned gifts are designed both to support the work of God through the Church and to provide a life income for the donor. Each type of planned gift offers benefits to the donor, and supports the mission of the Church, whether it be a parish, diocese, General Synod, or another Anglican Church of Canada entity or ministry.

This briefing will help inform congregational leaders about the different methods of giving:

### **Gifts for the present**

An **outright gift of cash** is the simplest and can be the best way to give. The church can use your gift immediately for its ministry and program or as endowment. Donors get a receipt for the full amount they have given, which means immediate tax savings. For example, if a donor's combined federal and provincial tax credit equals 45 per cent, a \$ 5,000 gift to St. Swithin's Church actually costs the donor only \$ 2,750 since it results in a tax savings of \$ 2,250! (The amount a donor can claim in charitable donations in any one year is limited to 75 per cent of his or her net income for that year. Any amount over that can be carried forward for up to five years.)

When a donor makes an outright gift of **listed securities** (such as shares, bonds, bills, warrants, debentures, futures, and mutual fund units), they receive a special tax benefit (effective with the May 2, 2006 Federal Budget): donors will not be taxed on *any* portion of the capital gain and will receive a donation receipt for the *full* amount of your gift of listed securities.

*And the things you have prepared, whose will they be?*

Jesus of Nazareth (The Parable of the Rich Fool, Luke 12.13-21)

### **Gifts for the future**

The most common type of *deferred* planned gift is a charitable bequest – a gift which is included in a donor's **will**. This can be as simple as a sentence or two in the donor's will, or a codicil appended to it. A specific sum of money can be given: ("I give to the Anglican Church of Canada the sum of \$ \_\_\_\_\_ to be used for its general purposes.")

Alternatively, a gift of certain assets such as stocks or parts of what remains in a donor's estate after other bequests have been taken care of can also be made. Donors may, in consultation with the Church, designate how they wish a bequest to be used and may state if the gift should be used immediately or held as endowment. A donor's estate will be entitled to a receipt for the full value of a bequest. This may significantly reduce the tax payable with a donor's final income tax return. A tax credit will be available for donations up to 100% of the final-year net income.

A **gift of life insurance** can provide a significant future gift to the Church of a donor's choice, and at a modest present cost to them. This can be done with an existing policy or a new one.

A donor may give the death benefit of an existing policy just by naming a parish, diocese, General Synod, the Anglican Foundation of Canada, The Primate's World Relief and Development Fund, or another related entity as beneficiary. But to receive a current tax benefit, donors must also transfer the ownership of their policies to the Church. This entitles donors to a charitable receipt for its cash value. When donors make the Church the owner and beneficiary of a new policy, they receive a

donation receipt for each of their premiums. Upon the death of a donor, the parish, Diocese or other entity receives the proceeds of the policy.

**Gifts that give back**

Some planned gifts pay donors back by providing income or allowing them to enjoy the use of their property even after they have given it to the Church.

A **gift annuity** provides both a gift to the church and guaranteed payments for life for the donor or their spouse. The annuity rates depend on the donor’s age, but they will usually be substantially higher than G.I.C. interest. Part of the annuity payments (sometimes all of it) are tax-free. Every donor receives a donation receipt for part of their contribution.

A **charitable remainder trust** is a deferred giving arrangement under which donors irrevocably transfer property (cash, securities or real estate) to a trustee. They keep the right to the income from the trust, either for life or a specified number of years, and at the end of that time, the trust principal becomes their gift to the Church. Donors receive a charitable receipt for the present value of this remainder interest. As with other forms of gifts, donors may, in consultation with Church gift planning consultants, designate their gifts for a particular ministry or as endowment.

A **gift of residual interest** gives back in a different way. A donor may, for instance, donate a residence but retain the right to use it while they live. A valuable piece of art may be gifted, but the donor continues to enjoy it in for their lifetime. In each case donors receive charitable receipts for the present value of the residual interest they have given to the church.

For more information, including print resources or to request a visit to your parish, please contact:

**Archdeacon John M. Robertson**

Stewardship and Gift  
Planning Consultant

Telephone 613.329.7540

E-mail: [jrobertson@ontario.anglican.ca](mailto:jrobertson@ontario.anglican.ca)

*Remember that when you leave this earth,  
you can take with you nothing that you have received –  
only what you have given:  
a full heart enriched by honest service, love, sacrifice and courage.  
St. Francis of Assisi*