



## PLANNED GIVING TO AVESTA HOUSING

**Your tax-smart gift to Avesta Housing changes lives every day.**

Making an estate gift means that your impact in creating affordable homes can be carried into the future. Your gift will serve to sustain this organization and enable thousands of people to benefit and make their lives better. Thank you for building a legacy with us.

### **Gifts by Will**

Your will is a very personal document. It designates your beneficiaries and spells out your ongoing priorities. Your will, when drafted by your lawyer, is hand-tailored to incorporate your decisions. A bequest in your will to Avesta Housing is exempt from the federal estate tax and the Maine estate tax.

*The following suggested forms of bequests are examples and can be adapted by you and your lawyer to meet your specific intentions.*

#### **Specific Bequest**

“I give and bequeath to Avesta Housing, a Maine nonprofit organization, 307 Cumberland Avenue, Portland, Maine, the sum of \$ \_\_\_\_\_ (or specify percentage or describe property) to be used for the general purposes of the organization.”

#### **Residuary Bequest**

“I give and bequeath Avesta Housing, a Maine nonprofit organization, 307 Cumberland Avenue, Portland, Maine, all (or stated percentage) of the residue and remainder of my estate to be used for the general purpose of the organization (or to be used for a specific purpose such as endowment, education, etc.).”

#### **Contingent Bequest**

A contingent bequest names Avesta Housing to receive part or all of your estate in the event designated beneficiaries predecease you. You might insert in your will language such as the following: “If any beneficiary named in this will is not living at my decease, then I give, devise and bequeath to Avesta Housing, a Maine nonprofit organization, 307 Cumberland Avenue, Portland, Maine, any bequest which said beneficiary would have received if he or she had survived me.”

## Gifts by Trust

Gifts to Avesta Housing may be included in either a lifetime or testamentary trust. A lifetime trust is sometimes referred to as a revocable, intervivos, or management trust. A testamentary trust is one incorporated in your will. The language included in either a testamentary or lifetime trust would follow the language suggested for inclusion in your will. Trusts provide flexibility to you so that you might leave the income to a named individual with the principal to Avesta Housing upon that individual's death. There are two types of irrevocable trusts which you may want to consider to benefit Avesta Housing.

### Charitable Remainder Trust

A Charitable Remainder Trust, which can be in the form of either a unitrust or an annuity trust, provides for the irrevocable transfer of assets to an independent trustee who pays income to you or any beneficiary you designate for life or a term of years and, upon the death of the last beneficiary, the trust principal goes to Avesta Housing. **A unitrust** provides that the fluctuating amounts paid during any one year to the beneficiary are a percentage of the fair market value of the unitrust assets, which by law cannot be less than 5 percent. **An annuity trust** provides that a fixed amount is paid annually to the beneficiary regardless of the value of the assets, but by law that amount cannot be less than 5 percent of the fair market value of the trust when it is established.

### Charitable Lead Trust

A Charitable Lead Trust provides income to a charity such as Avesta Housing for a fixed number of years (ten or twenty, for example) and then the principal of the trust reverts to you or your family members. Such a trust can be used to transfer income you may not need for a period of time to a charity for either its general purposes or a specific purpose, and then the principal reverts to you, or those named by you, often children or grandchildren. Under the Internal Revenue Code, there are tax advantages to the various trusts described and your legal, financial and tax advisors can assist you in maximizing those benefits.

## Gifts by Life Insurance

If you have a life insurance policy which you no longer require for family needs such as education, it can be a charitable tax deduction for you in the year you transfer title to the policy to Avesta Housing. The amount of the deduction is roughly the cash value of the policy. The gift of a life insurance policy to Avesta Housing removes that policy from your estate and reduces your federal estate tax. You can consult with your insurance agent or advisor for assistance in making a gift of an insurance policy.

*Please consult with your attorney, financial advisor or insurance agent for specific details on how to leave an estate gift to Avesta Housing. Tax ID number: 01-0315296.*

**Questions for Avesta?** Contact Zoë Alexis Scott, Corporate and Major Gifts Officer. Call (207) 476-9301 or email [zscott@avestahousing.org](mailto:zscott@avestahousing.org)