



LEGACY *of*
HOPE

MARY RIGG



YOUTH ENRICHMENT SERVICES



About the Legacy of Hope

The Mary Rigg Legacy of Hope is the Charitable Bequest Society honoring and thanking donors who have included a legacy gift in their estate plan that supports Mary Rigg Neighborhood Center. In continuing the legacy of the center's namesake, Mary Rigg, the Legacy of Hope will ensure that residents in Indianapolis will continue to receive help, hope, and opportunity well into the future.

Why create a Legacy of Hope at Mary Rigg?

By creating your Legacy of Hope with Mary Rigg, you are ensuring that your dedication, passion, and philanthropic philosophy will continue to assist those in Indianapolis.

What is Considered a Legacy Gift?

Legacy Gifts are special gifts made with the sole purpose of fulfilling a donor's desire to support Mary Rigg to continue their impact on lives in Indianapolis in a deeper, meaningful, and significant way. These types of gifts are typically categorized in four general groups: gifts that give now, gifts that give later, gifts that provide income, and gifts that give forever.

A Planned Gift Now

Charitable Lead Trust (CLT) – This type of trust pays income annually to Mary Rigg for a period of years that are determined by the donor. Once completed, the gift can either revert to the donor or their heirs.

Benefits of the CLT are that this gift are returned to the donor or their heirs at a reduced tax cost. The donor receives gift or estate tax savings for the value of the payments made. The trust pays tax on its income and capital gains and, it also deducts the amounts paid to the charity. Additionally, the amounts paid to the organization can be a percentage or fixed amount of the trust.



BASIC NEEDS SERVICES



A Planned Gift Later

Wills and Bequests – Of all planned giving opportunities, this is the simplest. All you have to do is name Mary Rigg in your will. This allows you to plan for your family as you wish and designate a percentage or fixed amount to the organization. There may also be an estate tax deduction for the full amount of the bequest.

You can add Mary Rigg to your will by using this suggested bequest language

“I give Mary Rigg Neighborhood Center, Inc, Indianapolis, IN, tax ID #35-0868954
(_____ percent of the residue of my estate) or (the sum of \$_____).”

Life Insurance – While not the most common, naming Mary Rigg as the beneficiary of a new or existing life insurance plan can be done by completing a form with your life insurance company. This gift allows you to make a large gift with little expense, there are no tax deductions, and there is no estate tax when the insurance proceeds are paid to the charity.

Retirement Plans – Think Individual Retirement Accounts (IRAs, 401k, and 403b). Like the others in this category, you simply name Mary Rigg as the beneficiary of the account. Additionally, if the retirement plan assets pass from the plan to a charity, it may offer both income and estate advantages.

A Planned Gift that Gives Back to the Donor

Charitable annuities and trusts are more complex ways to support Mary Rigg. They can be structured in ways that meet your specific needs. Three of the most common ways to give through trusts are: Charitable Gift Annuities, Charitable Remainder Trusts, and Charitable Lead Trusts.

LEGACY of HOPE <small>MARY RIGG</small>	Cash	Securities	Wills/Bequest	Retirement Assets
How does it work?	Give Cash	Give appreciated securities	Simplest form of gift planning (plan now, give later)	Name Mary Rigg as beneficiary
A good fit for donors who want to...	Maximize the deduction; minimize the gift details	Avoid tax on capital gains; afford a larger gift	Make a gift that costs nothing during the donor's lifetime	Avoid double death; give tax assets
How does the donor make the gift?	Write a check or give online now	Contribute long-term appreciated stock or other marketable securities	Name Mary Rigg in will or living trust by designating a specific amount or a share of the residue	Name Mary Rigg as partial successor on your plan
DONOR BENEFITS				
Reduce estate tax	Removes taxable assets from the estate	Removes taxable assets from the estate	Donation exempt from federal estate tax	Donation exempt from state estate and
Reduce income tax	Immediate deduction for full value	Immediate deduction for full value		Heirs will avoid
Reduce or eliminate capital gains tax		Complete avoidance	Complete avoidance	
Get income back from the gift				
Gift an asset but enjoy keeping it			Control of assets during lifetime	Continue to take income from plan during
More		Still like the stock? Use cash to buy at today's price and lock in a high cost basis	Make a substantial gift when donor no longer needs the assets	Often overlook giving
How does it benefit Mary Rigg?	Delivers immediate benefits	Delivers immediate benefits	Ensures Mary Rigg's future strength	Ensures Mary Rigg's strength

Investment Plan 401(k)/IRA	Life Insurance	Charitable Gift Annuity	Charitable Remainder Trust	Charitable Lead Trust
Mary Rigg as owner of Plan	Name Mary Rigg as beneficiary and owner of a policy donor owns	Simple gift contract that provides lifetime payments to one or two persons	Trust that pays income for life or a term of years to donor and/or others. Assets ultimately benefit Mary Rigg	Trust that makes payments to Mary Rigg for a period of years. Assets ultimately pass to donor or heirs
Income taxation at tax-advantaged to heirs	Make a gift at little cost	Supplement income with steady payments that are partially tax-free	Diversify assets, avoid or defer capital gains tax, secure often- greater income and possible inflation protection	Reduce gift and estate taxes on assets donor passes to heirs; lower income tax liability; retain control of assets
Mary Rigg as whole or beneficiary in donor's form	Donate a paid-up policy donor no longer needs	Establish a gift annuity contract that pays a set income for life	Create a trust that pays income to donor and/or others; principal (remainder) ultimately goes to Mary Rigg	Create a trust that pays income to Mary Rigg, principal (remainder) ultimately returns to heirs or donor

BENEFITS

Exempt from federal income tax	Donation exempt from federal estate tax	Removes taxable assets from estate	Removes taxable assets from estate	Can remove taxable assets from estate
Income tax	Current income tax deduction for the paid-up policy	Deduction for gift portion of asset	Deduction for gift portion of asset	Limited
		Partial avoidance	Partial avoidance	Varies
		Fixed payments for life for one or two individuals	Variable or fixed income for life	
Income withdrawals during lifetime				Property reverts to donor, or to heirs with reduced gift and estate taxes
Simple and easily set up	Simple to set up; small financial commitment for large ultimate gift	Great retirement income supplement	Significant income and estate tax advantages	Best for assets expected to appreciate rapidly
Mary Rigg's future income strength	Ensures Mary Rigg's future strength	Ensures Mary Rigg's future strength	Ensures Mary Rigg's future strength	Delivers immediate benefits



EMPLOYMENT ENRICHMENT SERVICES



Charitable Gift Annuity (CGA) – This type of planned gift is actually a contract. In the contract, the donor transfers cash or stock and the organization pays the donor a percentage of the gift annually for the donor's lifetime. This is a great option if someone wishes to receive a form of fixed income. A portion of each payment is a return of the donor's principal and is free from income tax. Additionally, the capital gains tax is reduced and spread over a donor's lifetime with this particular trust.

Charitable Remainder Unitrust (CRUT) – The difference between the Charitable Remainder Unitrust and a Charitable Gift Annuity is that it pays a variable income (a fixed percentage) to the donor or other beneficiaries for the donor's life or for a specific term up to 20 years. The CRUT is beneficial to donors who are looking for a potential increase in annual income and would like a partial tax deduction. CRUTs are also a nice option because there are no capital gains taxes paid when assets are transferred into the trust and there are possible estate tax savings.

Charitable Remainder Annuity Trusts (CRAT) – The Annuity Trust option is similar to the Remainder Unitrust when it comes to most benefits to the donor: partial income tax deduction, no capital gains tax when the assets are transferred into the trust and there is an estate tax savings possibility. However, with CRATs, the trust will pay the donor or other beneficiaries a fixed dollar amount for their lifetime or a specific term for up to 20 years. This means there is no possibility of an increase in annual income that comes with the CRUT.

A Planned Gift that Gives Forever

Permanent Endowment Gift - If you are looking to give a gift that keeps on giving, you may wish to consider a permanent endowment gift in your family's name. This type of gift ensures that your gift will continue to make an impact at Mary Rigg as long as we are in existence. This type of gift is often used to provide a permanent source of income with the stipulation that the invested principal amount is kept intact and only the income generated is used by Mary Rigg. Often, permanent endowments are created as part of an estate plan and are considered "Legacy Gifts" honoring or memorializing a beloved family member or other important persons involved in an organization. Endowments are established by a gift to Mary Rigg in the amount of \$100,000 or more. Once received, the funds are invested using the Mary Rigg's board approved investment policy. Annual distributions* are then made by the financial institution and used by the organization to support the overall programming and costs associated with Mary Rigg's mission.

*Annual distributions range between 2% and 5% of the balance of the fund once a year in perpetuity.

How will I/we be recognized for creating my/our Legacy of Hope?

Once we receive your written commitment to support Mary Rigg through a planned gift, you will be contacted to set up a visit or phone call with the President of Mary Rigg to discuss how to best recognize your gift. Some options may include:

- A Welcome Letter from Mary Rigg's President, Clark Lienemann
- A Frameable Certificate of Gratitude
- A Legacy of Hope Token of Appreciation

Whichever way you choose to create your Legacy of Hope, rest assured that your personal, financial, and estate planning goals will be fulfilled. Your Legacy of Hope commitment will show your lifetime commitment to the families and individuals served at Mary Rigg.

For more information about creating your Legacy of Hope, please contact the Mary Rigg Fund Development office at 463.900.4731, emailing info@maryrigg.org, or visiting www.maryrigg.org/about-us/legacyofhope



MARY RIGG

NEIGHBORHOOD
CENTER

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The Fine Print

The information presented in this booklet is not offered as legal or tax advice. Mary Rigg is not engaged in legal or tax advisory services. For advice or assistance in specific cases or to make certain contemplated gifts that fit well into your overall planning, the services of an attorney or other trusted professional financial planner should be obtained. We offer only general gift, estate, and financial planning information. Please refer to federal tax revisions (IRS Publication 526 – Charitable Contributions), and state laws governing wills and charitable gifts for specific information updates before entering your contractual agreement.



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