

Legacy Giving Guide

Legacy Giving (or Planned Giving) can transform the future of First Parish and ensure that it thrives well into the lives of future generations. By making a Legacy Gift to our endowment fund, your support of First Parish will last beyond your lifetime.

The typical person who makes a legacy gift isn't a millionaire or independently wealthy. Rather, most legacy givers are simply members who want to make a commitment to the future of our liberal faith.

Leaving a legacy to First Parish only takes a little planning. It can be as simple as including a bequest to First Parish in your will or trust, or naming First Parish a beneficiary on your retirement plan or insurance policy.

And, for a limited time, you can increase the amount of your gift through the Wake Now Our Vision Collaborative Campaign. In order to inspire new legacy gift commitments, a cash match made possible by a grant from the UU Congregation at Shelter Rock will be made for each commitment. Visit wakenowourvision.org for more details.

What is a legacy gift to First Parish?

A legacy gift is a financial commitment made to First Parish now that the church will receive in the future. Some other organizations refer to these types of gifts as planned gifts. The most common legacy gifts are bequests in your will or revocable trust. When your estate is settled, that portion of your assets earmarked by you will be given to First Parish to provide support in future years.

Types of Legacy Gifts

While the church cannot offer financial or tax advice regarding your gift, members of the Legacy Giving Committee will be happy to answer your questions about different gift types. We encourage you to work with your attorney and/or financial advisor to select the approach that is right for you. There are four common options: ***bequests, retirement plan beneficiary designations, life insurance beneficiary designations, and charitable gift annuities.*** (There are additional options you may wish to consider under certain circumstances, including pooled income funds, charitable remainder trusts, and charitable lead trusts, that will not be discussed

further here. Pooled income funds are more attractive in a higher interest rate environment. Charitable remainder trusts and charitable lead trusts are more complex and individualized vehicles better discussed with your professional advisors.)

Bequests

A bequest is a provision in your will or revocable trust designating a fixed dollar amount, a percentage of your assets, or the remainder of your estate will be given to First Parish in Needham, upon settlement of your estate. Most bequests are fully revocable while you are alive.

Language for Wills

You may add a simple codicil to your will to create a bequest for First Parish. You can make a specific bequest by identifying a block of stock or bonds, a specific parcel of real estate, or other clearly identified marketable asset. Or, you can make a cash bequest in a specific amount or as a percentage of your estate. You can also make a residual bequest from the remaining assets in your estate after all other specific bequests and settlement costs are satisfied.

The following sample language can be used to fulfill your charitable objectives:

Specific Amount: I give, devise, and bequeath \$ _____ to First Parish in Needham.

Percentage Bequest: I give, devise, and bequeath _____ % of my gross estate to First Parish in Needham.

Residuary Bequest: I give, devise and bequeath the rest, residue, and remainder of my estate to First Parish in Needham.

Language for Trusts

You may amend your revocable trust to create a bequest for First Parish in Needham. This can be done at any time or as part of a review and updating of your trust, which is recommended every 5-10 years as the relevant laws change. You can make a specific bequest by identifying a block of stock or bonds, a specific parcel of real estate, or other clearly identified item. Or, you can make a cash bequest in a specific amount or as a percentage of your estate. You can also make a residual bequest from the remaining assets in your estate after all other specific bequests and settlement costs are satisfied.

The following sample language can be used to fulfill your charitable objectives:

Specific Amount: The Trustee shall distribute \$ _____ to First Parish in Needham.

Percentage Bequest: The Trustee shall distribute _____ % of my gross estate to First Parish in Needham.

Residuary Bequest: The Trustee shall distribute the rest, residue, and remainder of my estate to First Parish in Needham.

Retirement Plan Beneficiary Designations

You can designate First Parish as a beneficiary of your IRA, 401(k), or 403(b) plan, for a specific amount or a percentage of total assets. Such gifts can save on income and estate taxes.

Leaving a portion of your retirement plan account to First Parish in Needham can help you get the most value from your estate and protect your heirs from taxes. These retirement assets are subject to income taxes when paid out to a taxable entity (i.e., most people, even your spouse or children), even when the estate is too small to owe estate taxes. These taxes can reduce the amount received by your heirs by up to 35 percent. In contrast, nonprofit organizations such as First Parish are eligible to receive the full amount at your death without facing any income tax liability. Income taxes can be avoided or reduced through a carefully planned charitable gift. Consult your advisor for more information. There are three common approaches:

Designate First Parish in Needham as a primary beneficiary for a percentage (1 to 100 percent) of your retirement plan account.

Designate a specific amount to be paid to First Parish in Needham before the remainder is directed to family or other individuals.

Make First Parish in Needham the contingent beneficiary to receive the balance only if a loved one, as primary beneficiary, doesn't survive you.

To implement your wishes, please contact your plan administrator, then complete and sign whatever forms are required. This can often be done on-line. You may wish to contact your attorney to be sure you are using the correct language.

Life Insurance Beneficiary Designations

You can designate First Parish in Needham as a beneficiary of all or a portion of your life insurance benefits. A traditional life insurance policy (with an accumulated cash value) can be a valuable asset. If the original purpose for the protection no longer applies—such as to educate children now grown or to provide financial security for a spouse now deceased—a life insurance policy can be redirected to help support a worthwhile cause such as First Parish in Needham.

To implement your wishes, please contact your life insurance agent or company and obtain and complete the needed change of beneficiary form. You may wish to contact your attorney to be sure you are using the correct language.

Charitable Gift Annuities

First Parish's Charitable Gift Annuity program is professionally managed and administered by the Office of Legacy Gifts at the Unitarian Universalist Association and State Street Global Advisors. The Church Administrator can connect you to the UUA to discuss establishing a charitable gift annuity.

A charitable gift annuity is a good arrangement for someone looking to augment their retirement income because it generates a fixed dollar income for the rest of your life. In exchange for your *irrevocable* gift of at least \$10,000 in cash or publicly traded securities, the UUA will pay you a lifetime income based on your age (minimum 65) at the time of your gift. At the end of your life, money remaining in the annuity (the ultimate gift) is distributed to First Parish (and/or the UUA) as you specify. The gift annuity can be for one or two people, so a spouse or other loved one can also receive payments for life.

A portion of the initial gift is income tax–deductible based on IRS rules about the expected value of the ultimate gift. Charitable gift annuity payments are partially income tax–free throughout your estimated life expectancy. If you use appreciated stock to make a gift, you can usually eliminate capital gains tax on a portion of the gift and spread the rest of the gain over your life expectancy. Consult your advisor for more information.

Are there any restrictions on the types of gifts I can make?

Our policy is to place all Legacy gifts in the First Parish Endowment fund. It is preferred that legacy gifts to First Parish be made without designation or restriction as to the use of the funds. First Parish will not accept gifts that are too restrictive. Gifts that are too restrictive include those that violate the terms of our charter, gifts that are too difficult to administer, or gifts that are for purposes outside the mission of First Parish. The types of gifts that are acceptable include cash or checks, marketable securities, tangible personal property, and marketable real estate. Please consult the First Parish Gift Acceptance Policy for more information.

How much should I consider giving?

With the exception of charitable gift annuities (which have a minimum of \$10,000), there is no minimum amount for a legacy gift to First Parish, but it may be the largest charitable gift you make! There are many ways to think about an amount, but one common approach is to choose a sum that would--by adding a certain amount to the Endowment--in effect replace your current annual pledge in perpetuity. For example, assuming the Endowment will provide 4 percent of your legacy gift to First Parish each year, then a \$50,000 gift would provide \$2,000 each year to First Parish.

I'm interested in making a legacy gift. What do I do next?

We are gratified you are considering making a legacy gift, and appreciate your commitment to First Parish. We are here to answer your questions. Here is the “pathway” for moving forward:

1. Talk with your advisors and family and decide on the kind and amount of gift you want to leave to First Parish. Will you leave a set dollar amount or a percentage of certain assets?
2. Contact Rev. Catie Scudera or Nancy Simpson-Banker. Let us know what you are considering and whether you need assistance. While the church cannot offer financial or tax advice regarding your gift, we will be happy to answer your questions about the different gift types. We also want to be sure First Parish can accept your gift as you want to designate it; we may not be able to accept certain kinds of real property, or funds designated for a very narrow purpose. Of course, your information will be held in strict confidence, depending on your wishes.
3. Execute your legacy gift by doing one or more of the following:
 - a. work with your attorney to add or change language in your will or revocable trust;
 - b. change your retirement plan or life insurance beneficiary forms; or
 - c. work with the UUA to establish your charitable gift annuity.
4. Complete the Legacy Gift Form (on the First Parish website under Legacy Giving), and give it to the church administrator so we will know of your gift, and, if possible, the projected amount First Parish may receive. This information will be kept confidential, and is for our record-keeping only. Please notify First Parish if you make future changes or adjustments to your legacy gift.
5. Complete and submit the Wake Now our Vision Collaborative Campaign Form to qualify First Parish for a matching gift from the UU Congregation at Shelter Rock.
6. Upon settlement of your estate, your funds will be given to First Parish according to your wishes, and will serve to support the needs and activities of First Parish for the indefinite future!

For the most current information about the Legacy Gifts Program, please see the First Parish website under Giving/Legacy Giving.

Thank you ... for both your generosity and your efforts on behalf of First Parish in Needham!

****Thank you to First Parish in Concord for providing the framework and content for this guide.****