

**WAYS TO GIVE**

**Heritage Ministries**

**Mission: To serve others through Christ-centered ministries which promote hope, dignity, and purposeful living.**

**Giving to Heritage**

There are many ways to make a contribution to Heritage Ministries which will support its mission. Heritage is a 501(c) 3 not-for-profit organization. Philanthropic support by individuals who care about its work in Chautauqua County can also have tax advantages for these donors. This document is intended for general information and educational purposes only. It is not intended to be a substitute for personalized legal and tax advice. Donors should contact a qualified legal or tax advisor to find out how charitable contributions will effect

their personal circumstances and charitable goals.

**Immediate Outright Gifts**

**Gifts of Cash**

Cash is the simplest asset to donate. The entire amount can usually be claimed as a charitable income tax deduction. Gifts of Cash are most often given via check or account transfer.

**Gifts of Appreciated Securities**

Donors frequently contribute appreciated securities (stock) as charitable gifts. The IRS allows a donor to deduct this type of gift as a charitable deduction. It is a way for the donor to avoid capital gains tax on the transfer. It often enables the donor to make a larger charitable gift than giving cash. On the date of the transfer of the stock to Heritage Ministries either by a broker or by the donor personally, the stock will be valued as of that date as a charitable donation. In most cases, Heritage Ministries will instruct its broker to sell the stock certificates so the proceeds may be used towards it mission.

**Gifts of Real Estate**

Gifts of this type may be a positive way to avoid a substantial capital gain on residential, commercial or undeveloped real estate. The charitable income tax deduction is based on the fair market value of the property. The donor must obtain an independent appraisal to establish the market value of the gift for IRS purposes. In most cases, Heritage will sell the property and use the proceeds towards its mission.

**Gifts of Personal Property**

Some donors may contribute personal property that has market value. Such items might include artwork, antiques, jewelry, motor vehicles, equipment and other items. An independent appraisal paid for by the donor is required to establish an amount that can be recorded as a charitable gift for IRS purposes. In most cases, Heritage will sell the property and use the proceeds towards its mission.

**In-Kind Gifts**

Such gifts might include labor and materials. Examples could include construction, electrical or plumbing services, materials, or in some cases, personal expertise including consulting services. These are regarded as pro bono contributions and may have tax benefits for the donor.

**Estate Gifts**

**Bequests in Wills and Living Trusts**

A bequest is one of the simplest ways to make a charitable gift. A bequest is a gift given through the donor’s will or living trust. Charitable bequests can include anything of any value in the estate such as cash, stock certificates, jewelry, real estate, antiques, artwork, etc.

The donor can name a specific dollar amount or designate a specific piece of property (such as a home) or indicate that a percentage of the estate will be designated for Heritage Ministries. A charitable bequest or trust distribution is deductible for federal estate tax purposes. There is no limit on the amount of this deduction. A current will or living trust can be amended without having to rewrite the entire document.

Because this is a legal document, the exact legal name of the charity must be used. Heritage Ministries will provide the correct information to be included in the donor’s will or living trust. In order to honor this type of gift for donor recognition purposes while the donor is living, Heritage requires written documentation of the estate document where Heritage Ministries is designated as a beneficiary.

In addition to bequests and living trust designations, there are other forms of planned/estate gifts that may include designation of Heritage Ministries as a beneficiary.

**Gifts of Life Insurance**

There are two common ways that life insurance may be used as a charitable gift. First is for policies for which the original purpose is no longer applicable. Upon the transfer of the policy to Heritage Ministries as the irrevocable owner and beneficiary of the policy, the donor may receive a tax deduction for the value of the policy. Upon the death of the donor, the death benefit of the policy will be received by Heritage Ministries. Second, a donor may purchase a new policy and name Heritage Ministries as the owner and beneficiary. Generally, the donor will pay the annual premium to keep the policy in force and will receive a tax deduction for the value of the premium.

**IRA Charitable Rollover Gifts**

Legislation enacted in 2015 authorized charitable gifts from IRAs. Among the provisions of the bill is an exclusion from gross income for income tax purposes of up to $100,000 annually (per IRA account owner) for “qualified charitable distributions” from an Individual Retirement Account (IRA). The distribution will count toward an individual’s Required Minimum Distribution (RMD). The IRA owner must be at least 70.5 years of age. The distribution must be made from an IRA account and given directly to Heritage Ministries by December 31 by the financial institution handling the account. With this distribution procedure, the donor will avoid taking the distribution as personal income in the year in which it is given to Heritage.

Since IRA owners who are at least 70.5 years of age are required by the IRS to take a required distribution annually from their IRA accounts, this can be a very beneficial way for donors to make charitable contributions to Heritage Ministries.

Further estate contributions from an IRA account upon the owner’s death to Heritage Ministries can be a beneficial way for the donor’s heirs to avoid paying estate taxes. Since IRAs are used for the purpose by their owners to build retirement accounts during their employment years and avoid paying income tax on these IRA contributions, these distributions during the life of the IRA owner or upon death require that taxes be paid on these distributions. Charitable giving from IRAs according to the legal requirements can be a beneficial way for donors to give to Heritage Ministries.

**Unrestricted and Restricted Gifts**

Heritage Ministries will accept both unrestricted and restricted charitable gifts.

**Unrestricted Gifts**

An unrestricted gift to Heritage Ministries is given by a donor for “best use” by Heritage in support of its mission. No documentation is required of the donor or of Heritage for these gifts.

**Restricted Gifts**

A restricted gift is defined as a gift that carries a designated restriction by the donor which Heritage Ministries is required to honor when using these funds. Such a gift might be restricted to a particular service of Heritage Ministries such as skilled nursing or memory care or The Green. There are any number of ways that donors may make restricted gifts.

Endowment gifts may carry restrictions designated by the donor and require written documentation of the restriction by the donor.

In all cases when a donor wants to make a restricted gift, the restriction must be documented in writing and signed by the donor(s) and a representative of Heritage Ministries. Often a Memorandum of Understanding (MOU) is used to document this restricted gift.

**Securing Appraisals and Legal Fees**

It will be the responsibility of the donor for all gifts made to Heritage Ministries to secure and pay for an appraisal (where required) and to pay for independent legal or financial advice, if he/she chooses to have such representation.

**Naming Opportunities**

Heritage Ministries has naming opportunities to offer donors. These are often included in donor recognition in a capital campaign but may also be available upon donor request. A naming opportunity is defined as the naming of a space, facility, program or endowment which enables a donor to use their own name or use the name in tribute to a living person(s) or in memory of a deceased person(s).

Naming opportunities are not transferable and are subject to Heritage Ministries policies and procedures for Naming Opportunities. A copy of these may be requested.

In all cases, Naming Opportunities must be documented in writing, using with a Memorandum of Understanding between the donor(s) and Heritage Ministries so that expectations are clear.

**Deadline for Giving**

In order for Heritage Ministries to give a receipt to a donor for an intended charitable gift, the gift must be received by Heritage no later than December 31 in the tax year in which the donor intends to take a charitable deduction to the extent of the law. In no cases will Heritage provide a tax receipt to a donor for a specific calendar year if the gift is received in the next calendar year.

**Information for Donors**

Legal Name: Gerry Homes, Inc.

Tax ID number: 16-0755780

Address: 4600 Route 60, Gerry, NY 14740

Person to Contact: Lisa Haglund**, VP of Marketing and Development, 716-985-6850 lhaglund@heritage1886.org**