

How to 'Give while Living'

There's never been a better time

Minute rice. Microwave dinners. Buy now, pay later. We live in a society of instant gratification where personal freedom is at an all-time high. So why do some of us still feel the need to wait until after we're gone to leave a legacy and make a difference?



Giving while living is the new look of charitable giving – and it benefits more than just the recipient. Giving charitably while you are still enjoying life can benefit your estate, provide immediate tax relief, allow you to direct where the donation is spent, and can give you the satisfaction of seeing the impact of your gift.

If you are considering making a charitable gift soon, here are some giving-while-living strategies to take into account.

- **Establish a private foundation:** While costly to establish and maintain, this option ensures your generosity lives on and can permanently associate your name or your family's name with the causes you've chosen.
- **Establish a donor-advised fund:** This tax-favoured vehicle avoids the administrative responsibilities and costs associated with establishing a private foundation, while still allowing your generosity to live on. Through this option, the fund may bear your name or that of a loved one, and you retain the right to recommend which charities receive allocations of the fund's income.
- **Establish a charitable remainder trust:** A charitable remainder trust allows you to donate capital while you live on the income. The trust is irrevocable and can hold assets such as cash and mutual funds. The named charity has no access to trust capital during your lifetime and upon your death, the trust assets – known as the remainder – go immediately to the charity. Remainder assets are not subject to probate fees, nor are they usually subject to claims by creditors.
- **Donate publicly traded stocks or securities:** There is no capital gains tax on appreciated stocks and mutual funds when they are donated to a recognized charity either while you are living, or through your will.
- **Donate a life insurance policy now:** Donate a paid-up policy or one that requires ongoing premiums and receive a charitable receipt based on the cash surrender value of the policy plus accumulated dividends.

In a future e-newsletter, we will describe in detail Investors Group's Charitable Giving Program, which is similar to establishing your own private foundation. The program is simple to establish, provides a lasting legacy and gives donors a great tax deduction.



If you are thinking of giving while living, you should do so within the context of your overall financial and retirement plan. We can help determine the best way for you to make a gift today. If you would like more information on charitable donations, please contact me at (204)786-2708 or david.bissky@investorsgroup.com.

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The Investors Group Charitable Giving Program is offered together with the Strategic Charitable Giving Foundation, which operates independently from Investors Group. Donations under the Program are irrevocable and vest with the foundation. This information is general in nature and not intended to be professional tax advice. Please read the Program Guide for complete details, including fees and expenses.