

Meet One of the Church's ProVisionaries



Bob Shaw is a member of St. John's Church, Milliken, in Toronto, where he has served as elder since 1960. He had already included his local congregation along with his children as one

of the beneficiaries in his will, but he also wanted to leave something for the work of the national church. "While serving on the Life and Mission Agency Committee, I became aware of the valuable work being done by the national church," Bob says, "and I wanted to give something to support that work after I die." After consulting with his financial advisor, Bob decided that a gift of life insurance would enable him to leave a larger legacy than would otherwise be the case. Bob has designated his gift for *Presbyterians Sharing*. "I didn't want to be more specific than that, because I know that circumstances and needs change, and I want the gift to be used wherever it is most needed and can do the most good." By making The Presbyterian Church in Canada the owner and beneficiary of the policy, Bob will receive a donation tax receipt for every dollar he pays in annual premiums.

Creative Uses of Life Insurance

Mr. X has a term life insurance policy which is coming up for renewal. He is considering dropping the policy because he no longer needs it for his original beneficiary. In talking with his broker, however, he discovers that the policy can be converted to a universal life policy for which he is pre-approved without a medical exam and which will provide a \$100,000 death benefit. By making the church the owner and beneficiary of the policy, Mr. X will receive a tax receipt for the amount he pays in premiums.

Special note: not all term life insurance policies are convertible; contact your insurance agent for advice.

Mr. and Mrs. Young want to contribute to their congregation's capital campaign, but they are concerned that their gift would diminish the amount available for their children's inheritance. After hearing about the use of life insurance for wealth replacement, they decide to give \$100,000 to the church and use a portion of the \$48,000 they will realize in tax savings from their donation to purchase a "second-to-die" life insurance policy to add \$100,000 to their estate when the surviving spouse dies. Both the church and their children will benefit from their generosity and foresight.

Special note: the above example assumes a 48% tax credit. Tax credits vary from province to province.

For Further Information

The staff in the Planned Giving Office are available to offer whatever information and guidance you need to help you turn your philanthropic wishes into reality. Contact us by phone, email or letter. For additional information and more examples of generosity, be sure to check out the Planned Giving website.

The Planned Giving Office

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The information in this brochure does not constitute legal or professional advice and should not be substituted for appropriate professional advice. The Presbyterian Church in Canada encourages you to seek professional legal and financial advice before deciding on a course of action.

PLANNED Life Insurance GIVING

A creative way to grow your gift and
leave a substantial legacy to the Church



*Planting seeds of hope.
For generations to come.*

 The Presbyterian Church in Canada

The Gift of Life Insurance

Many of us don't like to think about life insurance, because we consider it as just a necessary means to provide for loved ones if the unthinkable should happen. After all, who wants to think about the unthinkable? But life insurance can also be an exciting and creative way to provide a substantial legacy for the church and its ministry. With creative planning, you can use life insurance to provide a much larger gift to the church than you may have imagined possible. Some of the ways to use life insurance include:

1. Give a paid-up policy to the church by naming it as the owner and beneficiary. You receive an income tax receipt for the paid-up cash value. Use the receipt for this year's income tax return (up to 75% of your net income) and carry forward any unused portion for up to five years.
2. Name the church as the beneficiary or one of the beneficiaries of a present policy. After receiving the proceeds from your

policy, the church would issue a donation receipt for the full amount of your gift, creditable on your final tax return (up to 100% of your net income, with unused credits applicable up to 100% of your net income for the previous year).

3. Those who qualify may take out a new policy naming the church as the owner and beneficiary of the policy. You are eligible to receive a tax receipt for the value of the annual premiums, substantially reducing your own costs while you grow your gift to the church. This is a creative way for those who are younger and may not have substantial assets to leave a significant legacy to the church.
4. Combine life insurance with another planned giving vehicle. For example, you could use the extra income you receive from a charitable gift annuity to purchase a life insurance policy. You could use this insurance to increase your legacy to the church or to provide a substantial inheritance for your heirs.

Special Offer: The Presbyterian Church in Canada has entered into partnership with Equitable Life Insurance Company of Canada to offer a whole life insurance product with a simplified application form for those who do not have their own insurance broker. Contact the Planned Giving Office or check out the Planned Giving website for more information.

The Advantages of a Gift of Life Insurance

Modest premium payments over time can provide a substantial gift to the church.

When the church is the owner and beneficiary of your policy, you can receive a charitable tax receipt for every dollar you pay in premiums.

Since gifts of life insurance flow directly to the church outside the estate, your gift is not delayed while the estate is being settled and there are no deductions for probate or estate administration fees.

A new insurance bequest for the church does not reduce the size of your estate.

Policies are available through most insurance companies, or you can modify an existing policy to provide a charitable bequest.

What does the gift of life insurance mean to you and to the Church?

Jesus said, "Where your treasure is, there will your heart be also." When you give a gift of life insurance to your congregation or some other ministry within the church, you are in effect saying, "I believe in the future of the church, and I want to invest in that future." Your gift is a concrete expression of hope and a clear indication of where your heart really lies.

For the church, your gift provides the assurance that money will continue to flow for vitally needed ministries for generations to come. The church can also use the cash value accumulated in policies to borrow for needed capital projects or new ministry endeavors while you are still living.

"Sell your possessions and give alms; provide yourselves with purses that do not grow old, with a treasure in the heavens that does not fail, where no thief approaches and no moth destroys. For where your treasure is, there will your heart be also."

(Luke 12:33-34)