

## A GIFT FOR THE FUTURE

By including Victoria Hospice in your Will or estate plan, you can make a significant impact to support end-of-life care in your community. Legacy Giving can provide considerable financial support to Victoria Hospice and allow you to achieve your philanthropic objectives. It can also offer significant tax benefits and allows you, as the donor, to maintain financial security during your lifetime.

It is our primary goal to ensure that each gift is managed and administered in accordance to your wishes. We will work closely with you and your legal and/or financial advisors to structure the gift to achieve the greatest benefit for you. No gift is too small to make a difference.

Planned gifts include both current and deferred gifts. A current gift allows you to witness the impact that your support is making to Victoria Hospice while receiving immediate tax savings. A deferred gift is the process of making arrangements to provide a future gift to support Victoria Hospice and one that will have a lasting impact and create your legacy. Such gifts include:

- Bequests
- Charitable Gift Annuities
- Charitable Insured Annuities
- Charitable Remainder Trusts
- Life Insurance
- Gifts of Residual Interests
- RRSPs and RRIFs

To learn more about how you can make a difference to Victoria Hospice, please contact:

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Development Officer – Legacy Gifts  
Victoria Hospice  
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## A GIFT IN YOUR WILL

**Thank you** for your vision and foresight in contemplating a future gift to Victoria Hospice.

A gift in your Will is a meaningful way to leave your legacy and support the future of Victoria Hospice. Every gift is needed, valued and gratefully received.

You might consider....

- **A Specific Gift** – a specific dollar amount or property (such as art work, gift of securities)
- **A Residual Gift** – all or a portion of what remains of the estate after specific gifts are distributed and estate debts have been paid
- **A Contingent Gift** – your gift only takes effect if your primary intention cannot be met (for example, your primary beneficiary has predeceased you)
- **An Endowed Gift** – your gift can be used to establish a permanent endowment in your name or that of a loved one. Income generated from the endowment will create a permanent legacy of support to Victoria Hospice for generations. Endowments require minimum funding levels; please contact us if you are interested in this option.

You may specify whether your gift is to be **unrestricted** – used in the area of greatest need which helps fulfil the mission of Victoria Hospice: *to enhance the quality of life for those facing advanced illness, death and bereavement through skilled and compassionate care, education, research and advocacy*, or **restricted** – used only for the purpose you choose, for example, operating fund, education activities, research activities, or general endowment fund.

Your estate will receive a **donation receipt** for use against 100% of your net income in the year of passing and in the preceding year, preserving the value for your beneficiaries. Your estate may also claim tax credits in subsequent years.

**We strongly recommend donors seek professional advice from their legal and financial advisors.** Your lawyer will craft the Will clause language to meet your needs, and your financial advisor will advise you as to the most tax effective way to make this gift.

**Legal Name:** Victoria Hospice Society

**Charitable Registration Number:** 11928-4230-RR0001

*...see over*

## GIFTS OF LIFE INSURANCE

Life insurance is an exceptionally attractive option for donors who wish to leave a substantial legacy to Victoria Hospice. A gift of life insurance is an affordable opportunity for donors to make a significant gift to the future of Victoria Hospice while also enjoying beneficial tax savings during their lifetime or for their estate.

When considering a gift of life insurance, there are a number of different ways to determine the best way to do so depending on your individual circumstances:

### *Existing Policies*

If you have an existing policy that is no longer needed for your family's wellbeing, you can donate it by assigning ownership of the policy to Victoria Hospice.

- If the policy is fully paid-up, it is equivalent to an outright gift of cash, and you, as the donor, will receive a charitable tax receipt for the cash surrender value.
- If the policy still has premiums owing on an existing policy, you will be entitled to receive a tax receipt for the cash surrender value when the policy is transferred to Victoria Hospice and will also receive subsequent tax benefits for the annual premium payments you continue to make on the policy.

In both cases, Victoria Hospice is named as the owner and beneficiary of the policy and therefore, the gift is irrevocable and ownership cannot be transferred back to the donor at a later date.

### *Purchasing a New Policy*

You may wish to purchase a new policy naming Victoria Hospice as the owner and beneficiary. The donor is entitled to a donation receipt for annual premiums paid to the insurance company after ownership has been transferred to Victoria Hospice. When the donor passes away, Victoria Hospice receives the death benefit. This type of gift is perfect for individuals who want to ensure a major future gift, but pay their gift on an 'instalment basis', each premium payment being a small fraction of the eventual gift. In this regard, the donor is the initial owner, and must pay the first premium before the policy can be transferred, therefore the first premium payment does not qualify for a tax receipt but any subsequent payments will qualify for a tax receipt.

## GIFTS OF REGISTERED FUNDS: RRSPs, RRIFs and TFSAs

As part of estate planning, a gift of Registered Retirement Savings Plans (RRSP), Registered Retirement Income Funds (RRIF) or Tax Free Savings Account (TFSA) to Victoria Hospice can help you **realize substantial tax savings for your estate** and, at the same time, **allow you to make an extraordinary gift**.

Under normal circumstances, **the total value remaining in your RRSP, RRIF and/or TFSA at the date of your death must be reported as taxable income**. Your estate will most likely be at the top marginal tax bracket, unless you designate your spouse or dependent children as beneficiaries of your RRSP/RRIF/TFSA. Taxes can be deferred until the death of your spouse or dependent children, but ultimately the full amount will be taxed as regular income.

You can reduce the amount of tax payable by your estate by **designating a registered charity**, such as Victoria Hospice, as a beneficiary of your RRSP, RRIF and/or TFSA. By designating Victoria Hospice as a beneficiary, your estate will:

- **Receive a charitable tax receipt to offset income tax otherwise payable; and**
- **Realize savings in probate fees, as the gift will fall outside your estate.**

Designating Victoria Hospice as the beneficiary of your registered retirement accounts is simple. You can name Victoria Hospice as a full or partial beneficiary by **contacting the financial institution holding your RRSP/RRIF/TFSA and complete a designation form or letter of direction** naming Victoria Hospice.

We strongly recommend that you consult with your financial or tax advisor when finalizing your estate plan.

To learn more about planned giving options, please contact:  
**Shelley Engelhardt, Development Officer – Legacy Giving**  
(250) 519-1743 or via email at [Shelley.Engelhardt@VictoriaHospice.org](mailto:Shelley.Engelhardt@VictoriaHospice.org)

## GIFTS OF SECURITIES

A charitable gift of securities is a tax effective gift for both current and legacy gifts. If you are considering a gift to Victoria Hospice, either now or in your estate plan, and you own publicly listed securities (such as stocks, bonds, mutual fund units or shares) that have appreciated in value, you may wish to consider donating these directly to Victoria Hospice.

If you were to sell appreciated securities, you are required to pay tax on 50% of the capital gain. However, if you *donate the securities* directly to charity, you pay no capital gains tax. This makes this type of gift one of the most cost effective ways to support your favorite charity.

	Sell security and donate cash	Donate security "in kind"
<i>Market value of security</i>	\$ 10,000	\$ 10,000
<i>Cost base</i>	\$ 2,000	\$ 2,000
<i>Capital gain</i>	\$ 8,000	\$ 8,000
<i>Taxable capital gain (50%)</i>	\$ 4,000	\$ 0
<i>Tax due on gain at 43.7%</i>	\$ 1,748	\$ 0
<i>Tax receipt for gift</i>	\$ 8,252	\$ 10,000
<i>Net tax savings</i>	\$ 2,852	\$ 4,370

\*In this illustration, we used 43.7% as the highest marginal tax rate in B.C. Please consult your financial/legal advisor for tax-effective giving that is most suitable for you.

An official tax receipt will be issued for the fair market value as assessed at closing on the date when the shares are legally transferred into Victoria Hospice's account at our custodial agent. A gift of securities will result in a tax credit that will offset your income tax and can be used in the year of your gift or you may carry it forward for up to five additional years.