



By the power at work within us
God can accomplish abundantly more than
all we can ask for or imagine. – Ephesians 3:20



Gifts of Life Insurance

A gift of **Life Insurance** is a simple and easy way to support your congregation, The Presbyterian Church in Canada, and/or another area of ministry in the church that you deeply care about. A life insurance policy enables you to leave a significant gift for a relatively small financial outlay. Many donors would like to make current significant contributions to their congregations and other areas of ministry; however, they may not have the financial resources to make a large gift during their lifetime. A life insurance gift can be a creative way to make a meaningful gift that you didn't think was possible. You can make a gift of either a new or existing policy.

Here are some creative ways to make a gift of life insurance.

If you **already have a policy**, you can change the beneficiary to The Presbyterian Church in Canada. Because this is a revocable gift, we are unable to issue you an immediate tax receipt, but your estate will be issued a receipt for the entire amount of the life insurance policy in the year the gift is received.

You can **purchase a new policy** with the church as owner and beneficiary. The church will then issue a tax receipt for the annual premiums you pay after transferring the policy. In this case, no tax receipt will be issued to your estate.

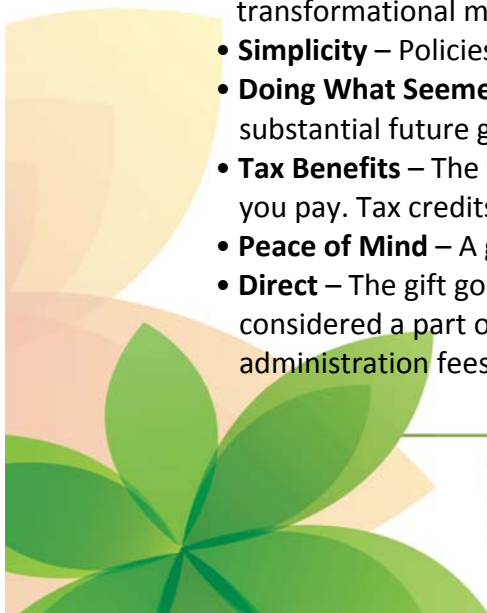
You can **transfer the ownership** of an existing policy. The church will issue you an immediate tax receipt for a portion of the policy's cash surrender value, if any. The church will also issue a tax receipt for any annual premiums you pay after transferring the policy. In this case, no tax receipt will be issued to your estate.

Benefits of Gifting Life Insurance

- **Satisfaction** – Knowledge that your legacy gift will support transformational mission and ministry far into the future.
- **Simplicity** – Policies are easily obtained through an insurance company or broker.
- **Doing What Seemed Impossible** – Depending on health and age, you create a substantial future gift with small or modest premium payments now.
- **Tax Benefits** – The final value of your policy will be far greater than the premiums you pay. Tax credits for those premiums could help offset your costs even more.
- **Peace of Mind** – A gift of life insurance does not reduce the size of your estate.
- **Direct** – The gift goes **directly** to the church upon your death and is not considered a part of your estate. In this way, you avoid probate and other administration fees.

The Presbyterian Church in Canada

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Examples of Generosity

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 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.

Ms. Jones, aged 45, wanted her congregation to receive a significant gift to help replace her annual givings to the church after she dies. However, she needed to keep her current capital assets intact. Ms. Jones learned that she could get a "term-to-100" life insurance policy of \$150,000 that is guaranteed to be paid in 10 years. As a non-smoker, her policy will cost about \$3,000 per year.

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| Total premiums paid | \$30,000 (10 years x \$3,000) |
| Total amount of charitable receipts issued | \$30,000 |
| After-tax* cost of policy | \$16,200 |
| Total gift to the church will be | \$150,000 |

Because of the charitable donation receipts she received, Ms. Jones was able to provide a substantial future gift of \$150,000 for her church for a net after-tax cost of only \$16,200.

*Assumes a combined provincial and federal charitable tax credit of 46 percent (after the first \$200 in charitable givings. Note: Provincial tax credit rates differ).

Please Seek Professional Advice: The Presbyterian Church in Canada strongly recommends that you seek professional advice to ensure that your financial situation and those of your dependents are considered; that your tax situation is reviewed; and that your legacy gift is tailored to your circumstances. For further information, please contact: Janice Meighan, Development Manager, 416-441-1111 / 1-800-619-7301 ext. 257 or email jmeighan@presbyterian.ca

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