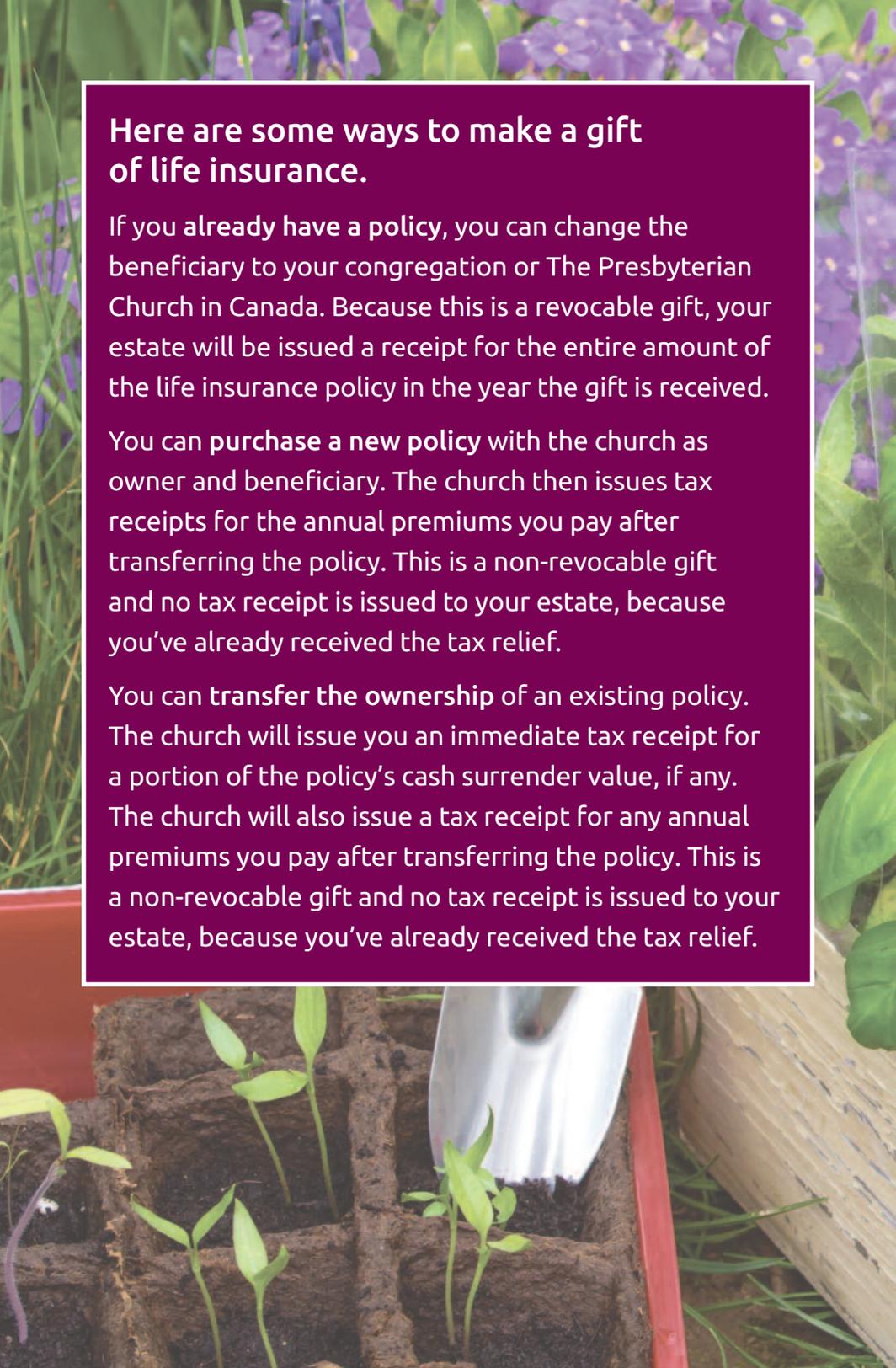


Life Insurance

Gifts with Impact



A gift of *Life Insurance* is an easy way to leave a significant gift to a ministry that you care deeply about, for a relatively small financial outlay. It can be a creative way to make a meaningful gift that you didn't think was possible, through either a new or existing policy.



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

If you already have a policy, you can change the beneficiary to your congregation or The Presbyterian Church in Canada. Because this is a revocable gift, 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 then issues tax receipts for the annual premiums you pay after transferring the policy. This is a non-revocable gift and no tax receipt is issued to your estate, because you've already received the tax relief.

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. This is a non-revocable gift and no tax receipt is issued to your estate, because you've already received the tax relief.

Example

Connie, aged 45, wants her congregation to receive a significant gift to help replace her annual givings to the church after she dies. However, she needs to keep her current capital assets intact. Connie learned that she can get a “Universal Life” insurance policy of \$150,000 where premiums can be paid up in 10 years. As a non-smoker, her policy would cost about \$3,000 per year for 10 years. With the yearly charitable donation receipts she will receive, Connie will be able to provide a future gift of \$150,000 for an after-tax cost of only \$16,200.

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

* 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.)

Benefits

- ▶ Support transformational mission and ministry far into the future
- ▶ Easily obtain a policy through an insurance company or broker
- ▶ Create a substantial future gift with modest premium payments now
- ▶ Tax credits for the premiums can offset taxes now or the tax receipt for the estate offsets final taxes
- ▶ The gift is not considered part of your estate and avoids probate and other administration fees



Please seek professional advice to tailor legacy gifts to your circumstances.

For further information, please contact:

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