

The Sally Smith Charitable Trust

Sally Smith pursued her call to ministry at Lexington Theological Seminary, graduating in 1953 with a Masters Degree in Religious Education. After serving congregations in Springfield, IL, and Iowa City, IA, Sally became the full-time campus minister for the United Campus Ministries, University of Iowa. She retired in 1986.



In addition to immersing herself in the university's culture and community, Sally was deeply committed to peace and justice issues. She toured southern states in the 1960s, supporting the efforts of Disciples pastors to racially integrate their congregations and communities. Sally was among the first people in a Disciples delegation into Vietnam following the war in an effort to reconcile our two nations.

Actively serving the local, regional, and national ministries of the Christian Church (Disciples of Christ), Sally knew she wanted to leave much of her estate to support ministries of the Christian Church. Working with the Christian Church Foundation, Sally's estate plans included generous outright gifts to a permanent fund she established during her lifetime as well as two charitable remainder trusts for the benefit of her niece and nephew that were established at her death. The charitable remainder of these trusts will eventually add to Sally's permanent fund, allowing Sally's fund to make even larger annual distributions to ministries she loved: First Christian Church in Coralville, IA; Lexington Theological Seminary; Global Ministries; Week of Compassion; Higher Education and Leadership Ministries; and Disciples Mission Fund.

The Christian Church
Foundation helps
Disciples make a
difference forever and
discover the joy of
serving Christ through
sharing their resources.

Want More Information?

The Christian Church Foundation is ready to help you plan your charitable legacy. Call (800) 668-8016 and let us know how we might help you!



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A Guide to

Charitable Remainder Trusts



The Charitable Remainder Trust

Charitable Remainder Trusts, often referred to as CRTs, are one of the most flexible planned giving instruments available. CRTs provide regular payments to individuals during the term of the trust, and then leave a gift to the charities selected by the donor.

Several types of CRTs are available; each designed to meet the donor's specific planning needs. Many donors find that CRTs are an excellent way to:

- Diversify highly-appreciated stock holdings,
- Qualify for a significant current tax deduction while maintaining or increasing the donor's income, or
- Leave a significant testamentary gift to children or grandchildren who would benefit from a stream-of-income gift rather than a lump-sum inheritance.

A CRT can be simple or complex, but all CRTs should be reviewed by the donor's professional advisors to ensure that the trust will meet the donor's needs and objectives.

Trusts Meet Donor's Needs

There are different types of Charitable Remainder Trusts available to meet a donor's unique needs and objectives. They can be set up and funded immediately or funded through a provision in the donor's estate plan. The donor can be the Income Beneficiary or the trust can be for the benefit of children, grandchildren, other relatives or friends.

To find out more about different types of Charitable Remainder Trusts and which options are best for your financial goals, contact the Christian Church Foundation.

Here's How It Works

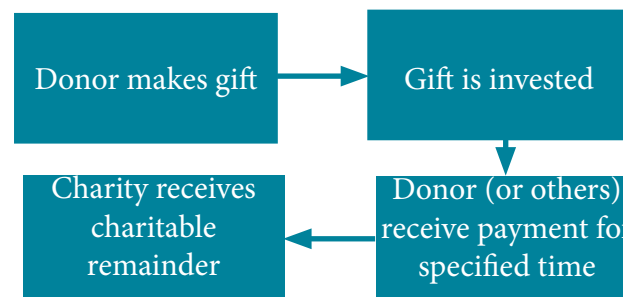
A donor transfers cash or other property, such as real estate, appreciated securities, etc. to a Charitable Remainder Trust.

The donor specifies the individuals who will receive life-income payments from the trust. These individuals are called the "Income Beneficiaries." Payments may be established for the Income Beneficiaries' lifetimes or for a specific period of time, up to 20 years. (In order for the CRT to qualify for a charitable tax deduction, young Income Beneficiaries may be limited to a 20-year trust.)

When the gift to the Income Beneficiaries has been fully paid, the value of the remaining assets in the trust, referred to as the charitable remainder, is transferred to the charities previously selected by the donor.

The donor is entitled to a federal charitable income tax deduction for the charitable gift portion of contributions to the trust. When appreciated investment assets are placed in the trust, the capital gain realized on their sale is not taxable to the trust. This allows assets to be sold and diversified without deducting taxes from the total investable assets.

Payments to the Income Beneficiaries are generally set at 5 to 6% of the trust's value. The minimum amount required to create a Charitable Remainder Trust with the Christian Church Foundation is \$100,000.



The L. Eugene and Evelyn Park Brown Charitable Remainder Trust

Evelyn Park Brown is one of three sisters who inherited long-held farmland from their parents at their deaths. After much discussion, Evelyn and her husband, Gene, determined that the best course of action would be to contribute her share of the land to a charitable remainder unitrust. The unitrust was established to avoid capital gain taxes on the sale, to provide for a current stream of income to the Browns and a future stream of income to their children, and to leave a remainder to a permanent fund at the Christian Church Foundation. The unitrust payments were made to both Gene and Evelyn until Gene's death in 2016 and are currently made to Evelyn. After Evelyn's death, the payments will be made to each of the Browns' four children. When the payments to the Browns' children have been completed, the assets remaining in the trust will be added to the Browns' permanent fund which will provide lasting support to those ministries chosen and cherished by Gene and Evelyn.

Gene and Evelyn enjoyed more than 70 years of marriage and chose to create a charitable remainder unitrust as part of their legacy. Each time their children receive quarterly payments from the Browns' Charitable Remainder Trust, they will be reminded of the faith, legacy, and values of their parents. Through their permanent fund, the Browns' witness will live on in perpetuity.