

The Importance of a Plan

Planning the legacy each of us will leave is one of the most important acts of a lifetime. Our estate plans, or failure to plan, are powerful statements. Our plans, which distribute our assets, are final reflections of what was important to us: our values; important relationships that blessed our lives; and our hopes for the future. They are a final testament to who and what we love.

Assets are distributed based on factors that include

(1) Property title

(2) Beneficiary designations

(3) Will or trust provisions

To avoid unintended consequences and stress on loved ones, understanding what assets can be distributed by title, beneficiary designation, and will or trust is important. Documenting our wishes through estate planning documents can help avoid state government's distribution formula. Our legacies are secured when we create and execute legacy plans.

Getting Started

Starting a legacy plan can seem like a daunting task, but it does not have to be. The following six tasks are key components of leaving a legacy plan:

1 SELECT AN ADMINISTRATOR

A personal representative or executor is someone you trust to carry out your wishes and who is likely to survive you. It is important that this person knows the location of your estate plan, insurance policies, banking, checking, investment, and retirement account documents and information, including how assets are owned and any beneficiary designations.

2 PREPARE A LIST OF WHAT YOU OWN

Family heirlooms, property, stocks, life insurance, IRAs, and 401(k)s should all be listed with their approximate value, how they are owned (individually, jointly), and whether there is a Pay on Death (POD), Transfer on Death (TOD), or beneficiary designations for each asset. Identify tax-deferred assets such as IRAs, 401(k), and/or 403(b) plans, where inheritance tax liabilities may make these assets less desirable as individual gifts.

3 LIST LOVED ONES AND CAUSES

Record the names and addresses of the people and causes you wish to benefit through your estate plan. Combining gifts to your favorite ministries of the Christian Church (Disciples of Christ) can be made through the Christian Church Foundation. We would be pleased to help you understand the flexibility of gifts made through the Foundation.

4 SPECIFY WHAT YOU WISH TO LEAVE

Determine the types of gifts you wish to leave: cherished heirloom, specific financial gift, or percentage of your estate. List the family, friends, charities, or ministries you wish to receive a gift. Remember that some gifts to the Christian Church Foundation can support Disciples ministries in perpetuity. Before visiting an attorney or tax advisor, write out your legacy plan goals; these are a final testament of what you value.

5 CONSULT WITH ADVISORS

Consult an attorney with estate planning experience and a tax advisor. Your estate plan should name the person(s) who will care for your minor or special-needs children. To find an advisor, ask friends, relatives, or your local bar association for recommendations. A skillfully documented estate plan will accomplish your desires, avoid unnecessary tax, and reduce the emotional strain your family may bear at your death.

6 KEEP YOUR PLANS SAFE AND UP-TO-DATE

Create and execute the estate plan that expresses your wishes for gifts to the people and causes you love. Deposit the original in a safe place (generally with an attorney). Keep a photocopy at home, along with a detailed list of assets that will pass directly to your heirs by title or beneficiary designation. Make a habit to review your legacy plan documents at a fixed time each year. Remember to update plans as family needs and personal desires change.

Gifts Made Outside Your Will

Financial assets that allow their owners to designate a beneficiary make wonderful gifts to ministries without changing your will. For example:

Retirement Savings:

IRAs, 401(k), 403(b), and other retirement plans or savings accounts provide ways to name primary, partial, or contingent beneficiaries. Because these retirement assets generally carry tax liability, naming a tax-exempt charity as the plan or account beneficiary can maximize your estate's total value that is passed on to family and friends.

Life Insurance:

Paid-up policies can be transferred to charity during your lifetime and may produce an immediate charitable deduction. You may name a charity as the beneficiary, co-beneficiary, or contingent beneficiary of your life insurance policy.

Financial Accounts:

Most financial accounts allow for a "Pay on Death" designation to family, friends, or a charitable organization without the need to list in or change your will.

Notifying Beneficiaries:

While not required, it is helpful and appreciated when you advise a beneficiary that they will receive a gift outside your will.

Wording to Help Your Attorney

Establish a gift to benefit your favorite Disciples ministries in perpetuity:

Leaving a gift to Disciples ministries is easy with a permanent fund at the Christian Church Foundation. Your permanent fund agreement describes all the ministries you wish to support and may offer greater flexibility if you wish to make changes during your lifetime.

Providing language to your attorney or using specific wording on financial accounts clearly expresses your wishes.

The following may be used in a will—

I give, devise, and bequeath to the Christian Church Foundation, Inc, whose principal office is located in Indianapolis, Indiana, the sum of ____dollars, the following stocks or bonds, property, or ____ percent of my residuary estate. It is my desire that such funds be administered by the Christian Church Foundation according to the Permanent Fund Gift Agreement on file at the Foundation as of the date of my death.

The following may be used on financial accounts—

Christian Church Foundation (Indianapolis, IN), [Your Name] Permanent Fund.

Contact Us

A representative of the Christian Church Foundation is available to meet with you at no charge. We also assist ministries with the preparation of policies that allow them to receive legacy gifts to expand their mission and witness for Christ.

The Christian Church Foundation is not a legal, tax, investment, or accounting consultant. We encourage you to seek the services of appropriate professional advisors.

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Resource

Scan the QR code below to download an Asset Inventory form to help organize your personal and charitable records.



This may be helpful when meeting with your attorney.