







Retained Life Estate

Giving retained life estate must first—and always—stem from your goodwill to help our organization to continue our mission and service.

Why Consider a Gift of Retained Life Estate?



Several reasons to consider this type of gift:

-  You can make a significant gift to our organization and support a project or program important to you without giving up assets with liquidity.
-  A retained life estate gift reduces your estate taxes by removing your property from your taxable estate.
-  You receive an income tax deduction in the year of the gift, based on your age and property value.
-  You can choose to move out of your home, which can either increase the tax deduction you can take during your lifetime or provide you with a payment for the value of your remaining life interest.
-  You can avoid family disputes over the future use and ownership of your home.

Tax Advantages:

You will receive an income tax charitable deduction in the year of your gift. The deduction will depend on the value of your home and how long your plan will last. If you itemize instead of taking the standard deduction, you could save significant income taxes. If you cannot use your entire deduction in the year of your gift, you may carry forward all unused deductions for up to five additional years if you are eligible to itemize in each of those years. By removing your home from your estate, you may also reduce estate taxes and probate costs when your estate is settled if your estate exceeds the then applicable estate tax credit.



Give your property and continue to enjoy it...

The retained life estate agreement is an opportunity to continue living in or using your home, vacation home, or farm while also establishing a gift now — and to enjoy the benefits, including current tax savings that usually characterize only lifetime charitable gifts. While nothing changes your current lifestyle or your use of the property, the retained life estate arrangement generates a sizable income tax deduction for you the year you establish the gift.

At the end of the retained life estate term (usually your or joint lifetimes), the property goes to your charity of choice as the charitable recipient. You are responsible for all taxes, maintenance, etc., on the property during your lifetime.

Eligible property for a life estate reserved...



Most donors create retained life estate arrangements using their home. You may also create a retained life estate with a second home or any other structure that functions as your residence, such as a boat. Eligible property may also include a farm, including raw farmland.

You are responsible for all regular expenses on your property while you live in it. These expenses include routine maintenance, property taxes, utility bills, and insurance.

Special considerations

Giving your home to our organization requires some extra steps of which you should be aware. These steps include the following:

- Before the transfer, you will need to establish your property's value by obtaining a qualified, independent appraisal.
- In addition to your appraiser's valuation, we will need to examine your property and conduct our analysis of its value. We will need to know if there are any debts, taxes, or liens owed on your property.
- Once we accept your real estate gift, we become responsible for cleaning up any environmental problems your property may have. This sort of cleanup can be costly. Therefore, before we accept any real estate gift, we routinely conduct a review to make sure the property has no environmental issues.