

Planned Giving & Gifting to Support Scotus Central Catholic High School

If you are a Shamrock who attended St. Francis Academy, St. Bonaventure HS or Scotus Central Catholic, or if you are an active Shamrock booster, your roots are here in this Catholic school which daily celebrates the Franciscan traditions of our faith. Yes, your annual support for Scotus is important; however your legacy support for Scotus can and will make an impact in the lives of future Scotus students and support our school's mission of service to the Church.

Let Scotus Know

We hope you'll tell us when you have named Scotus Central Catholic High School as a beneficiary in your will, trust or other planned gift. We would very much like the opportunity to thank you for your generosity. If you prefer to remain anonymous, your gift will be kept completely confidential. On the other hand, if you will allow us to provide recognition of your gift, we hope it will encourage others to act in the same charitable way.

Legal Language

It is important that you have your will, codicil or trust drafted by an attorney who is familiar with the laws of your resident state. And you will want to use our school's official legal name: *Scotus Central Catholic Secondary School of Columbus, Nebr.*

Bequests

A Gift to Scotus Central Catholic in Your Will

Consider including Scotus in your will. By naming Scotus as a beneficiary of your will you can enjoy the knowledge that you have contributed to the school and that you have helped to preserve Scotus' future financial security. Consider making Scotus an "additional child" or stipulate that you would like to donate a particular asset--or perhaps state that you would like to give Scotus a percentage of your estate (i.e. 5%.) The beauty of wills is that they can be changed at any time. If you would like to add Scotus as a beneficiary in your current will, all you need is to prepare a simple addition to the will called a *codicil*. See your attorney for more information.

Sample bequest language: "I, [name], a resident of [address, county, state, zip] give, devise and bequeath to Scotus Central Catholic Secondary School of Columbus, Nebr. [state gift amount or percentage or description of property item] for its unrestricted use and purpose." *Again this is just a sample and it should not be considered as legal advice.*

Bequest Options

There are several ways to make a bequest that you might discuss with your attorney as you prepare a new will or update your current will. Remember that you can also decide whether you wish to direct how your gift is to be used (*restrict*) i.e., for a specific program or purpose at the school; or leave the gift without direction (*unrestricted*) and allow the school's administration/board discretion on how your gift is used. Examples of restrictions you might use could include: "directed to be deposited in the endowment supporting Scotus" or "directed for use by the campus ministry program at Scotus" or "directed to support the general scholarship fund at Scotus" or "to establish a scholarship in honor of...." Contact the Scotus development office for restriction suggestions.

Specific bequest. This is a gift of a specific item. For example, "I give to Scotus Central Catholic Secondary School of Columbus, Nebr. the sum of \$5,000..." or I give to Scotus... my coin collection..."

Contingent bequest. Scotus Central Catholic could be named as a contingent beneficiary (an alternate beneficiary) in your will or personal trust if one or more of your specific bequests cannot be fulfilled. For example, "If [name of spouse] is not living at the time of my demise, I give, devise and bequeath the sum of \$50,000 (or all or a percentage of the residue of my estate) to Scotus...."

Residuary bequest. This is a gift that comes to Scotus after all of your estate expenses and all other bequests have been paid. For example, "I give, devise and bequeath (all or state a percentage) of the rest, residue and remainder of my estate to be used for such charitable purposes of Scotus Central Catholic Secondary School of Columbus, Nebr..."

If you make a bequest in honor of or in memory of someone, we will honor your request and provide appropriate recognition. If your bequest is restricted to the endowment, the principal (corpus) of your gift will never be used—only the investment income from your gift is distributed to Scotus Central Catholic.

Other Planned Gifts

Besides a bequest you might consider assigning Scotus as the beneficiary of a life insurance policy, a CD or of part of your IRA—actions that don't necessarily involve your will but that might provide tax benefits.

Life Insurance. There are several different ways to give through life insurance: 1) you can name Scotus Central Catholic as a sole or co-beneficiary of a policy, 2) if you have a paid up policy that you no longer need you can name Scotus Central Catholic as the policy owner and beneficiary (you may receive a charitable deduction by doing this) and 3) you can start a new policy, name Scotus as the owner and receive a tax deduction for the full value of the premium payments you make each year. (Your premium payment check would be made out *to Scotus Central Catholic* and sent to the school; and then Scotus would receipt you for the donation and submit the payment to the insurance company.)

Retirement Plan (IRA) Assets. By completing a simple change of beneficiary form, you can name Scotus Central Catholic as the beneficiary of your tax-deferred IRA or 401(k) retirement plans. The money is still yours to use after retirement—you are simply giving to Scotus whatever is left at the time of your death. Assets that you have accumulated in your Individual Retirement Account or other tax-deferred plan are subject to both estate taxes and to income taxes when distributed to individuals, but not when distributed to a charity since the charity, such as Scotus Central Catholic, is tax-exempt.

Charitable Trusts. Charitable trusts are prepared through your attorney and allow you to transfer cash, securities, real estate or other property to the trust. Here are a couple examples. With a *charitable remainder trust*, you are eligible for an income tax deduction, you avoid capital gains tax on the sale of the asset and you receive a current income stream. Upon your

death or of your last surviving beneficiary, the remaining assets benefit Scotus Central Catholic. On the other hand a *charitable lead trust* provides Scotus Central Catholic income for the duration of the trust and then at the end of the trust period the principal is returned to the donor or other beneficiaries. With this trust there are also possible income tax and estate tax deductions. By consulting a qualified professional to set up a trust, you can manage assets effectively and enjoy the comfort of knowing that you have provided for Scotus' current or future needs.

Charitable Gift Annuities

In exchange for your gift of cash, securities or other property, the charity will provide you and/or a named beneficiary an annual fixed annuity payment for life. Gift annuities offer immediate tax advantages, including partial avoidance of capital gains tax on the appreciation of donated property.

Life Estate Gifts

Donating your personal residence, vacation home, farm or business and reserving the right of residency and use for an agreed upon term, usually the balance of your lifetime, may prove to be an advantageous financial strategy.

Other Ways to Give

Gifts of appreciated property held for more than one year, such as real estate, common stock, mutual funds, bonds, IRAs or retirement plans, can offer significant advantages to the donor by avoiding capital gains taxes.

Gifts of Stock

Stocks and other Securities. Gifts of stocks, bonds and mutual fund shares often provide a more attractive tax benefit to the donor than a gift of cash. By gifting a stock or security that has appreciated in value (from the time it was purchased) you not only may be able to deduct the value of your charitable contribution but you will also avoid paying the capital gains tax on the security. By gifting a stock that has depreciated in value you may be able to deduct both the value of your gift and the investment loss. Gifting of stocks and other securities also removes it from your estate and possibly providing a savings in estate taxes. It is usually advantageous for the donor to donate stock and other securities directly to Scotus instead of selling the securities and donating the cash proceeds to Scotus—but it is always a good idea to speak with your tax advisor before you make any gifting decision.

Your gift of stock can be made electronically through your personal broker to Scotus Central Catholic. At your request, the Scotus development office will provide our account number and our broker's name, address and DTC number for the gifting process. The value of your gift is computed using the average of the high and low market prices on the date of transfer. If you have an actual stock certificate you wish to donate, contact the Scotus development office for instructions concerning how to make your donation.

Charitable IRA Rollover

Individuals who are 70 ½ or older are now able to make tax-favored gifts to charity from their traditional IRA accounts. Under the now permanent provisions of the Protect Americans from Tax Hikes Act of 2015, up to a total of \$100,000 can be transferred directly from traditional IRAs to one or more qualified charities, such as Scotus Central Catholic. A distribution to Scotus in this way will not be included in the donor's taxable income for the year in which the transfer is made. For individuals who are required to take distributions from their retirement accounts but who don't necessarily need the income, this could provide a wonderful way to support Scotus Central Catholic while also potentially avoiding taxes. It is important that you do not withdraw the funds yourself, the gift must be distributed directly from your IRA to Scotus or to another qualified charity. Check with your tax advisor or fund administrator for more details.

Cash. This is the simplest way to support Scotus Central Catholic. For tax purposes, your check or cash contribution is considered to be complete on the date it is received or the date it was postmarked, if mailed. Donations can also be made on-line by clicking the *donate* button on the Scotus web site at: www.scotuscc.org. Scotus will provide a letter of receipt for all online donations, contributions of \$250 or more and for smaller contributions at the request of the donor. As with any gift, you may restrict the donation's use for a specific purpose or allow the school to decide how it should best be used to support the Catholic education of our students.

Matching Gifts. An easy way to possibly double the value of your donation is to ask your company if it provides a matching gift for your donation to Scotus. Literally hundreds of companies provide a matching gift program as a benefit to their employees and retirees—check with your company's human relations office for more information.

There are many different ways you can support Scotus Central Catholic High School and provide for both today's needs and for the challenges of the future. In return, your annual and planned gifts will be carefully invested in the education of our students and any restrictions for the use of your support at Scotus will be respectfully followed. More importantly we hope you will experience a sense of satisfaction and fulfillment by your charitable giving along with the knowledge that you are participating in God's work on earth!

This information is not intended to be and should not be considered as legal advice. It is important that you consult with your attorney or qualified advisor before making a donation to charity or any decision about your estate.

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