

## POPULAR TYPES OF GIVING

### A Gift in Your Will or Living Trust

Interested in helping ASME Foundation with our mission but feel overwhelmed by the thought of writing another check or giving up your assets today? A simple, flexible and versatile way to ensure we can continue our work for years to come is a gift in your will or living trust, known as a charitable bequest.

By including a bequest to the Foundation in your will or living trust, you are ensuring that we can continue our mission for years to come. Your gift also entitles your estate to an unlimited federal estate tax charitable deduction.

### Beneficiary Designations

Passionate about supporting ASME Foundation with our mission even after your lifetime? It's not only possible, it's easy to do with a beneficiary designation. Just name the Foundation as a beneficiary to receive assets such as retirement plans and life insurance policies after you're gone. You simply fill out a form that is entirely separate from your will—which makes this approach an easy way to give.

Not only is it an easy way to give, but it's also flexible—you aren't locked into the choices you make today. You can review and adjust beneficiary designations anytime you want.

## GIFTS THAT PROVIDE INCOME

### Charitable Gift Annuities

When you are looking for ways to help ASME Foundation with our mission, you shouldn't feel like you are choosing between your philanthropic goals and financial security. One gift that allows you to support the Foundation's work while receiving fixed payments for life is a charitable gift annuity.

Not only does this gift provide you with regular payments *and* allow us to further our work, but when you create a charitable gift annuity with the Foundation you can receive a variety of tax benefits, including a federal income tax charitable deduction.

*Annuities are subject to regulation by the State of California. Payments under such agreements, however, are not protected or otherwise guaranteed by any government agency or the California Life and Health Insurance Guarantee Association. A charitable gift annuity is not regulated by the Oklahoma Insurance Department and is not protected by a guaranty association affiliated with the Oklahoma Insurance Department. Charitable gift annuities are not regulated by and are not under the jurisdiction of the South Dakota Division of Insurance.*

## Charitable Remainder Trusts

Looking for a way to give the Foundation a significant gift? If you have built up a sizeable estate and are also looking for ways to receive reliable payments, you may want to check out the advantages of setting up a charitable remainder trust.

Benefits of a charitable remainder trust include:

- A partial charitable income tax deduction
- Potential for increased income
- Up-front capital gains tax avoidance

There are two ways to receive payments with charitable remainder trusts:

The **annuity trust** pays you, each year, the same dollar amount you choose at the start. Your payments stay the same, regardless of fluctuations in trust investments.

The **unitrust** pays you, each year, a variable amount based on a fixed percentage of the fair market value of the trust assets. The amount of your payments is redetermined annually. If the value of the trust increases, so do your payments. If the value decreases, however, so will your payments.

## MORE TYPES OF GIFTS

### Charitable Lead Trusts

Do you want to benefit from the tax savings that result from supporting the Foundation, yet you don't want to give up any assets that you'd like your family to receive someday? You can have it both ways with a charitable lead trust.

There are two ways charitable lead trusts make payments:

A **charitable lead annuity trust** pays a fixed amount each year to the Foundation and is more attractive when interest rates are low.

A **charitable lead unitrust** pays a variable amount each year based on the value of the assets in the trust. With a unitrust, if the trust's assets go up in value, for example, the payments to the Foundation go up as well.

### Real Estate

Want to make a big gift to ASME Foundation without touching your bank account? Consider giving us real estate. Such a generous gift helps us continue our work for years to come. And a gift of real estate also helps you. When you give us appreciated property you have held longer than one year, you get a federal income tax charitable deduction. You avoid paying capital gains tax. And you no longer have to deal with that property's maintenance costs, property taxes or insurance.

Another benefit: You don't have to hassle with selling the real estate. You can deed the property directly to the Foundation or ask your attorney to add a few sentences in your will or trust agreement.

## Ways to Give Real Estate

You can give real estate to the Foundation in the following ways:

**An outright gift.** When you make a gift today of real estate you have owned longer than one year, you obtain a federal income tax charitable deduction equal to the property's full fair market value. This deduction lets you reduce the cost of making the gift and frees cash that otherwise would have been used to pay taxes. By donating the property to us, you also eliminate capital gains tax on its appreciation. Furthermore, the transfer is not subject to the gift tax, and the gift reduces your future taxable estate.

A gift in your will or living trust. A gift of real estate through your will or living trust allows you the flexibility to change your mind and the potential to support our work with a larger gift than you could during your lifetime. In as little as one sentence or two, you can ensure that your support for the Foundation continues after your lifetime and that your estate will benefit from a federal estate tax charitable deduction.

**A retained life estate.** Perhaps you like the tax advantages a gift of real estate to our organization would offer, but you want to continue living in your personal residence for your lifetime. You can transfer your personal residence or farm to the Foundation but keep the right to occupy (or rent out) the home for the rest of your life. You continue to pay real estate taxes, maintenance fees and insurance on the property. Even though we would not actually take possession of the residence until after your lifetime, since your gift cannot be revoked, you receive an immediate federal income tax charitable deduction for a portion of your home's value.

**A deferred [charitable gift annuity](#).** Are you tired of the hassles of maintaining your property such as paying taxes, utilities and repair bills? Consider donating the property to the Foundation in exchange for reliable payments for life for you (and someone else, if you choose). When you arrange a charitable gift annuity, you're allowed a federal income tax charitable deduction in the year you set up the gift annuity when you itemize on your taxes. If you use appreciated real estate to make a gift, you can usually eliminate capital gains tax on a portion of the gift and spread the rest of the gain over your life expectancy. A gift of unmortgaged property to fund a deferred gift annuity is preferable and generates the greatest tax benefit.

**A bargain sale.** Want to sell us your property for less than the fair market value? A "bargain sale" may be the answer. When you make a bargain sale, you sell your property to our organization for less than what it's worth. The difference between the actual value and the sale price is considered a gift to us. A bargain sale can be an effective way to dispose of property that has increased in value, and it is the only gift vehicle that can give you a lump sum of cash and a charitable deduction at the same time.

**A charitable remainder unitrust.** You can contribute any type of appreciated real estate you've owned for more than one year, provided it's unmortgaged, in exchange for an income stream for life or a term of up to 20 years. The donated property may be a residence (a personal residence must be vacant upon contribution), undeveloped land, a farm or commercial property. Real estate works well with only certain

variations of charitable remainder trusts. Your estate planning attorney, who will draft your trust, can give you more details.

**A charitable lead trust.** This gift can be a wonderful way for you to benefit the Foundation and simultaneously transfer appreciated real estate to your family tax-free. You should consider funding the charitable lead trust with real estate that is income-producing and expected to increase in value over the term of the trust.

**A memorial or endowed gift.** A gift of real estate may be a perfect way to honor your loved one in perpetuity. When you make an endowed gift of real estate, your contribution is invested with and becomes part of our endowment. An annual distribution is made for the purpose you designate. Because the principal remains intact, the fund will generate support in perpetuity.

**A donor advised fund.** When you transfer real estate to your donor advised fund, you avoid capital gains taxes and receive a federal income tax deduction based on the fair market value of the property.

## Memorials and Tributes

If you have a loved one who has been impacted by ASME Foundation, establishing a memorial or tribute gift is a meaningful way to honor your loved one or celebrate a special occasion such as a birthday while supporting the work of our mission. Your memorial or tribute gift will be a lasting tribute to your loved one and make a difference in the lives of those we serve.

## Endowed Gifts

An endowment gift to ASME Foundation today provides a brighter picture for our future. When you make a donation to our endowment, you give a gift with both immediate and long-term benefits.

Here's how it works: Endowment donations are invested. A portion of the annual income from the investment is used to address immediate needs at ASME Foundation. The remaining funds are reinvested to ensure indefinite support.

## Donor Advised Funds

Are you looking for an easy, cost-effective way to support ASME Foundation and other causes you love? A donor advised fund, which is like a charitable savings account, may be the right choice for you.

Here's how it works. You transfer cash or other assets to a tax-exempt sponsoring organization such as a public foundation. You can then recommend—but not direct—how much and how often money is granted to the Foundation or other charities—sometimes as easily as using a Web portal. And you avoid the cost and complexities of managing a private foundation.

What do you receive in return? An immediate federal income tax charitable deduction at the time you contribute to the account, and the power to make recommendations on which charities to support whenever you want. You centralize your giving and record-keeping in one location. And maybe best of all, you can start a legacy of giving by letting your children help decide which grants to recommend.

## Next Steps

1. Contact Kris Dasgupta at 973-244-2308 or [DasguptaK@asme.org](mailto:DasguptaK@asme.org) for additional information on bequests or to chat more about the different options for including the Foundation in your will or estate plan.
2. Seek the advice of your financial or legal advisor.
3. If you include the Foundation in your plans, please use our legal name and federal tax ID.

**Legal Name:** ASME Foundation

**Address:** 1828 L Street, NW, Suite 510 Washington, D.C. 20036

**Federal Tax ID Number:** 13-3372934

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