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HARVARD
University Planned Giving

Income Tax Charitable Deduction

- Gift of \$10,000 Cash

- Income Tax Savings \$4,000 (40% rate)
- Cost of Gift \$6,000

- Gift of \$10,000 Appreciated Securities held 1+ years

- Income Tax Savings \$4,000
- Cost of Gift \$6,000
- Saved Capital Gains Tax \$1,800 (\$1,000 cost; 20% rate)

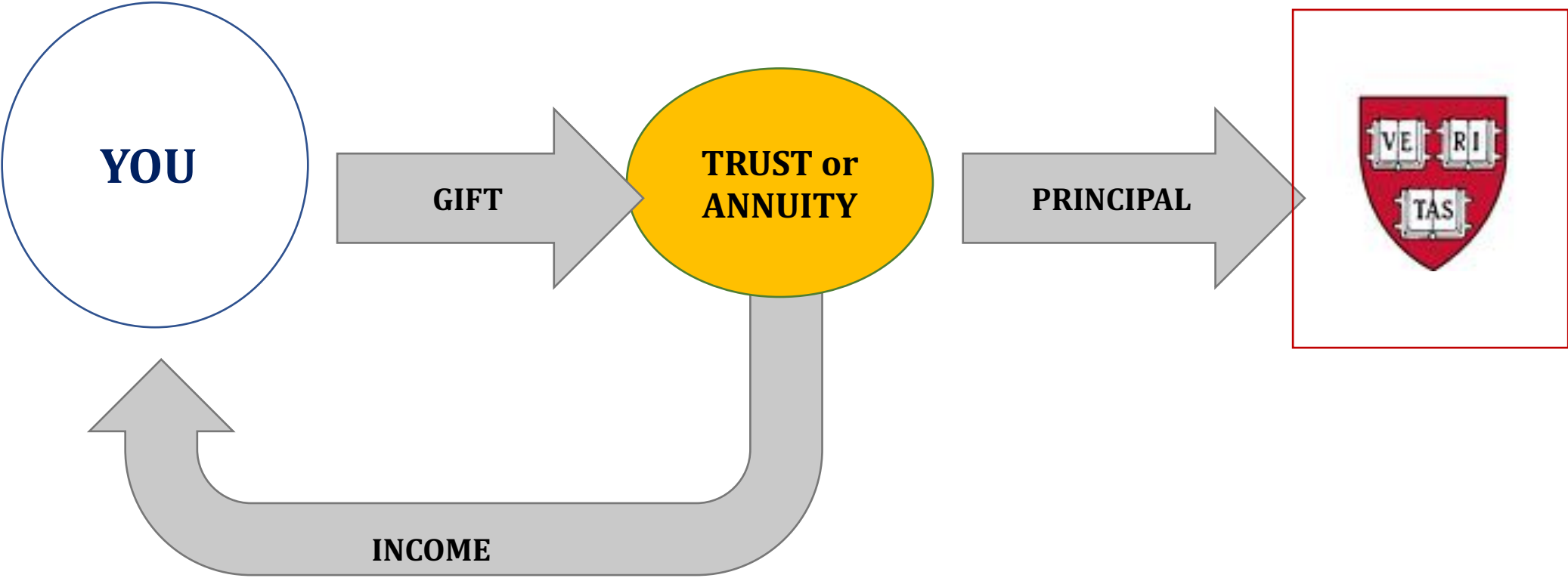
CARES Act

- In 2020, if you take the standard deduction on your taxes you can deduct up to \$300 cash charitable gift (usually \$0)
- In 2020, if you itemize your deductions you can deduct cash gifts up to 100% of your income (up from 60%)
- Does *not* apply to donor advised funds and private foundations

IRA Gifts

- Qualified Charitable Distribution
 - 70 ½
 - Direct transfer
 - \$100,000 maximum
 - Not included in taxable income
- Charitable Bequest
 - Avoid income and estate taxes
 - 100 cents on the dollar benefits charity

Give and Receive – Remainder Trust or Annuity



Charitable Gift Annuities

- You receive secure income for life, backed by Harvard's assets
- You can start your payments now or in the future
- Harvard has its own rate schedule

Examples:

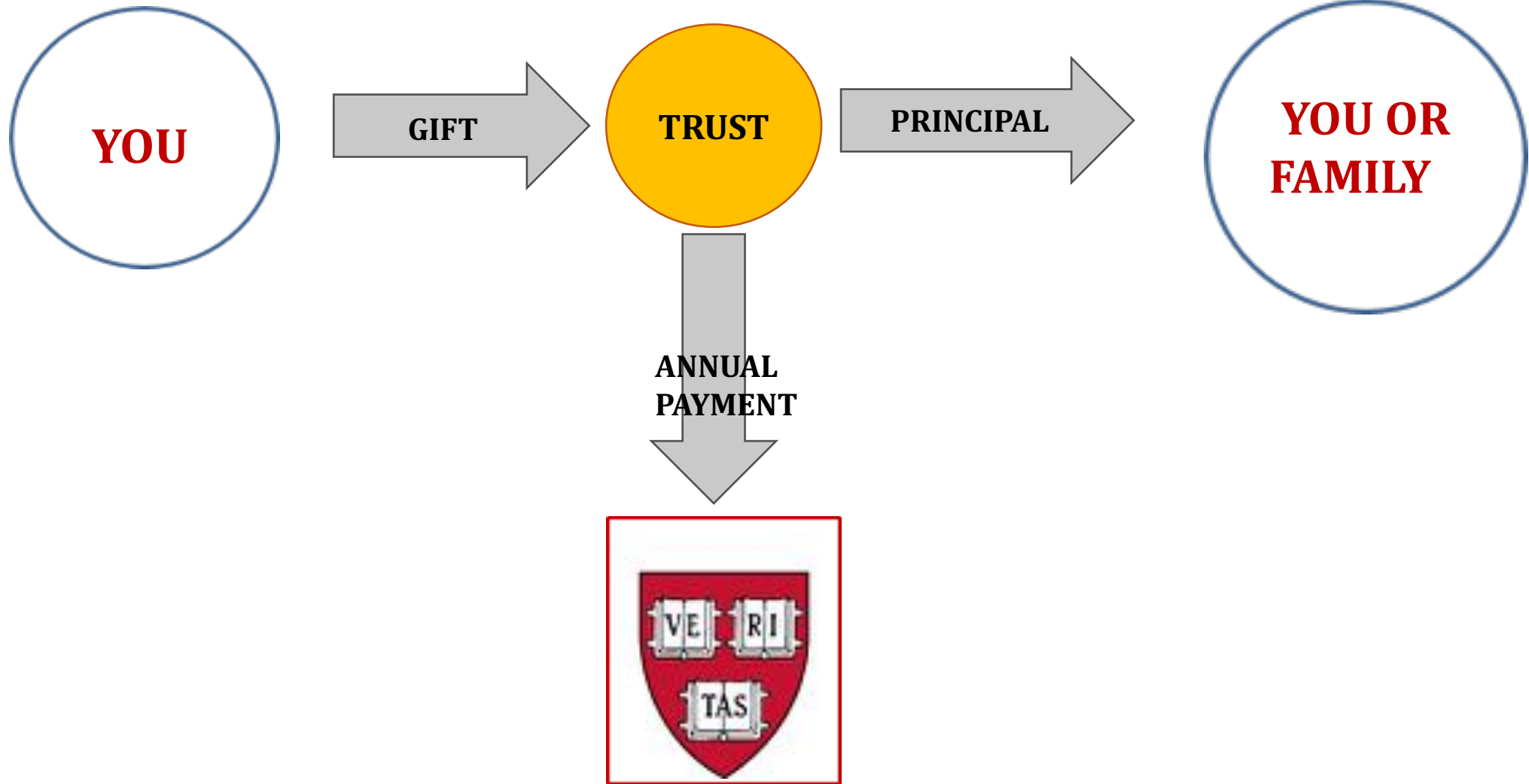
Age	Present rate	Future rate
50	3.2%	@70 yo: 8.9%
70	6.0%	@73 yo: 7.2%

- Income and capital gains tax savings
- Your gift helps Harvard in the future

Charitable Remainder Trusts

- You receive income for life; varies from year to year
 - Based on 5% of the value of the trust on January 1st
 - Opportunity for growth of income over the long term
- No management fees
- Income and capital gains tax savings
- Your gift helps Harvard in the future

Loan to Harvard – Lead Trust



Charitable Lead Trusts

- You benefit Harvard for a set number of years
- You or your family receive trust proceeds in the future
- Taxable trust so best to fund with cash or high basis stock
- You receive gift/estate tax savings and/or income tax savings
- No management fees
- Examples:

\$1 million, 15-year lead trust; 0.4% discount rate

Payout	Tax deduction
5%	\$727,000
6%	\$872,000
7%	\$1 million



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THANK YOU!

We are here to help

We look forward to assisting you if and when the time is right.

Harvard University Planned Giving

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