

## Gifts Made Outside Your Will

It's important to realize, when drafting your will or considering changes to it, that certain assets may pass to beneficiaries irrespective of the provisions in your will. Many assets allow you to designate a death beneficiary. That designation will control how that asset is distributed at your death. Understanding how your assets will be distributed and which assets will be controlled by provisions within your will is important because it may allow you to make desired gifts without changing your will. This understanding is also important because it may prevent the unwelcome consequences that can arise if you believe that all of your assets will be divided as spelled out in your will and fail to understand that importance of beneficiary designations.

Almost any financial asset that allows you to designate a death beneficiary can make a wonderful gift to the church without a change in your will. For example:

**Retirement Savings:** IRAs, 401(k) plans, 403(b) plans, and other retirement savings vehicles typically provide a way to name death beneficiaries, which can include charitable organizations as primary, partial, or contingent beneficiaries. In certain cases, a spouse's consent is needed to name a charity as the primary beneficiary. These assets, which are tax-deferred, are typically the very best asset to give to a tax-exempt charity.

**Life Insurance:** You may name the Foundation as the beneficiary, co-beneficiary, or contingent beneficiary of your life insurance policy. You may also consider transferring the actual ownership of unneeded policies to us.

**Financial Accounts:** Most financial accounts may be made "Payable on Death" to a friend, family member or charitable organization.

## Contact Us

The Christian Church Foundation is available to help you realize your charitable goals both now and in perpetuity. Our staff members are available to meet with you at no charge. We also assist congregations and other ministries to prepare policies that allow them to receive legacy gifts that will help expand their mission and witness for Christ. Please call and let us know how we might help you!

# *The Christian Church Foundation helps Disciples make a difference forever and discover the joy of serving Christ through sharing their resources.*

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



130 East Washington Street  
P.O. Box 1986  
Indianapolis, IN 46206-1986  
(317) 635-3100 (800) 668-8016  
FAX (317) 635-1991  
[www.disciples.org/ccf](http://www.disciples.org/ccf)

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## A Guide to

# Making a Will

Tips For Getting Started



## Willing to be Responsible

Making a will has been described as one of the most important acts of a lifetime. It is a statement of who you are - a reflection of your sense of responsibility and what is important to you. Appropriately called a “Last Will and Testament,” it is, in a sense, your testimony — your witness to others of the people and things you value most.

Fail to make a will and the state will take charge. That can mean both delays and unnecessary expenses, and your loved ones may suffer in the process. Your will lets you assist friends, worthwhile causes and others that would be excluded in the distribution formula that the state has for your assets if you fail to plan.

## How to Prepare a Will

### Prepare a list of what you own.

Cash, house, car, furniture, family heirlooms, stocks, IRAs and 401(k)s, life insurance — all should be listed with approximate value. The Christian Church Foundation will be glad to send you an inventory folder to help you gather the information you need. Specifically identify those assets that are tax-deferred (also called “Income in Respect of a Decedent” or IRD assets). IRD assets include IRAs, 401(k) plans, 403(b) accounts, and U.S. Savings Bonds. *Regardless of the size of your estate*, any individual who inherits these assets will need to pay the income tax due on them. They make a wonderful source for a gift to the church as a tax-exempt organization.

### Prepare a list of loved ones and causes.

Record the complete names and addresses of the people and causes who you wish to benefit through your estate. Many persons choose to combine their gifts to their congregation, region or other favorite ministries of the Christian Church (Disciples of Christ) in a gift made through the Christian Church Foundation. We would be pleased to help you understand the possibilities and flexibility of a gift made through the Foundation.

### Specify what you wish to leave each.

There may be cherished family heirlooms you may

want to give to special people in your life, or financial bequests that you wish to make to friends, family, or to charity. For financial bequests, especially those that are likely to represent more than a small fraction of the total estate, percentages are often better than dollar amounts. Write out the goals you would like to accomplish through your will before visiting your legal counsel, remembering that our wills serve as a final “testament” of those things we have valued most’

### Consult with legal counsel.

If your attorney has will-drafting experience, make an appointment to plan your will. If you do not have an attorney with that experience, ask a friend or a relative to recommend one or call your local bar association. It is OK to ask the fee in advance — just remember that a skillfully drafted will can minimize both the costs and emotional strain that your family may bear at your death. Writing your own will could cost your survivors time and money and may not accomplish what you intend. Work with your attorney to name an executor — someone you trust to follow through with your will’s provisions after your death. If you have minor or special-needs children, use your will to name the person(s) who you will entrust with their care after your death.

### Keep it safe and up-to-date.

When the document expresses your wishes for the persons and causes you love, sign it and deposit the original in a safe place — perhaps with your attorney or bank. Keep a photocopy at home. Make it a habit to review your will at a fixed time, such as income-tax time, remembering that your will should be a living document that addresses your changing family needs and personal desires.

## Wording to Help Your Attorney

### To establish a gift to benefit your favorite ministries in perpetuity:

I give, devise and bequeath to the Christian Church Foundation, Inc. whose principal office is located in Indianapolis, Indiana,  
the sum of \_\_\_dollars, or

the following stocks, bonds or other 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.

*You should know that the above language is designed to be “precatory language” which is an expression of your desire rather than a mandatory direction. This language will allow you to change your direction to the Foundation as often as necessary without updating your will. It further allows the Foundation board to “stand in your shoes” to protect your charitable interests when — after your death or incapacity — one of your chosen ministries closes, reorganizes, or faces bankruptcy.*

### To make a gift of all that remains after you have taken care of your family and other interests:

All the rest, residue and remainder of my estate, both real and personal property, whatsoever and whosoever located, I give, devise and bequeath to the Christian Church Foundation, Inc., whose principal office is located in Indianapolis, Indiana. It is my desire that such funds will 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.

### To minimize taxes, even if you do not have a taxable estate.

I instruct that all of my charitable gifts shall be made, to the extent possible, from property that constitutes “income in respect of a decedent” as that term is defined under the U.S. income tax laws.

We believe that every will that includes a charitable bequest should include the above language, even if you don’t know that you will have this type of asset distributed under your will. It costs nothing to include this provision, but it may save your heirs significant tax dollars while expanding the assets available for your charitable legacy.