

Plan to Give

THE LEGACY OF A MEANINGFUL LIFE

TEXT FROM “LEAVE A LEGACY QUEBEC”

The Charitable Bequest

A gift in your will to the Old Brewery Mission enables you to make a meaningful gesture today that will survive you for years to come. You will have the satisfaction of knowing that your gift will one day help lost souls find themselves again.

YOU CAN LEAVE THE FOLLOWING KINDS OF CHARITABLE LEGACY:

- A specific amount;
- A percentage of your estate;
- Some or all of what remains of your estate after debts and special bequests are settled;
- Assets—real estate, securities, works of art, etc.

YOU CAN ALSO NAME THE OLD BREWERY MISSION AS THE BENEFICIARY OF

- A life insurance policy;
- An RRSP (registered retirement savings plan);
- An RRIF (registered retirement income fund)
- A percentage of your pension fund.

No gift is too small and each one makes a difference for the Old Brewery Mission.

WHAT ABOUT MY LOVED ONES?

In preparing your will, you will naturally think of your loved ones first and foremost. Your next concern may be to support your favourite cause. Your loved ones will be grateful and will appreciate your generosity, and if your situation changes significantly, you can always modify your will to reflect your circumstances.

If you wish, you can inform your loved ones of your decision to make a charitable bequest or attach a letter of explanation to your will, thereby passing on your most cherished values.

TAX BENEFITS FOR YOUR ESTATE

An estate is the sum of the assets left by a deceased person to his or her heirs. When a person dies, the following assets are taxable: income during the year of death, RRSP's and RRIF's (except when transferred to the spouse of the deceased); and capital gains and profits from the sale of real estate other than a principal residence.

A charitable bequest entitles you to non-refundable tax credits equal to 50% of the value of the gift. With the resulting receipt, the estate can deduct up to 100% of the net income of the deceased for the year of death, and apply any excess to the preceding year.

CONSULT YOUR ADVISOR

Consult your notary or financial advisor to ensure that your will reflects your true intentions and that your estate will receive all available tax benefits related to your gift. A notarized will has the advantage of avoiding the verification process required for a holograph will or a will declared before witnesses.

The Gift of Life Insurance

Life insurance can have a far greater impact than you might think. The premiums you pay for a life insurance policy can be converted into a regular donation that will provide considerable future support to the Old Brewery Mission. There are several ways to make a donation through life insurance.

TRANSFERRING AN EXISTING LIFE INSURANCE POLICY

By its very nature, life changes; your children have grown up, or unfortunately, you have lost your spouse. Your life insurance policy may no longer reflect your original intentions. Why not transfer it to the Old Brewery Mission, which will become the owner and beneficiary of the policy, providing the proceeds to the poor and needy when you pass away? Imagine the impact of your gift!

After the transfer of the policy, you will receive a charitable donation receipt corresponding to the cash surrender value of the policy. If the policy is not yet paid-up and you continue to pay premiums, you will be entitled to a tax receipt for your ongoing payments.

DESIGNATING A CHARITABLE ORGANIZATION AS THE BENEFICIARY OF AN INSURANCE POLICY

You can remain the owner of the life insurance policy and designate the Old Brewery Mission as the beneficiary of some or all of the death benefit. When the Old Brewery Mission receives the portion assigned, your estate will be issued a tax receipt for that amount. This solution is an attractive one because it reduces the estate's tax obligations.

DESIGNATING THE OLD BREWERY MISSION AS THE SECONDARY BENEFICIARY OF AN INSURANCE POLICY

Just as in your will, you can designate the Old Brewery Mission as the beneficiary predeceases you. No matter what happens, your foresight will have positive results.

PURCHASING A NEW LIFE INSURANCE POLICY

Perhaps you would like to make a significant contribution to the Old Brewery Mission, but your means are modest. In this case, you can purchase a life insurance policy for the benefit of the Old Brewery Mission. By naming the organization as the beneficiary, you will receive an annual tax receipt for the premiums you pay. If you remain the owner and you designate a charitable organization as the beneficiary, your estate will be issued a tax receipt once the organization has received the death benefit.

USING LIFE INSURANCE TO PROTECT YOUR ESTATE

Life insurance can enable you to make a significant gift now, without penalizing your heirs. Talk to your financial advisor to learn how life insurance can replace amounts transferred in the form of donations, allowing your heirs to receive an amount equivalent to that received by the charitable organization.

The Charitable Annuity

You can transfer an amount to the Old Brewery Mission that will pay you an income for the rest of your life and, should you predecease your spouse, for the rest of their lives. The annuity payment is determined based on the capital transferred and the life expectancy of the beneficiary or beneficiaries. In the first year, you will be entitled to a tax receipt for at least 20% of the capital investment. In most cases, this receipt will reduce the tax on your annuity income to zero.

PEACE OF MIND, PEACE IN YOUR HEART

Most organizations accept applicants for charitable annuities who are at least 60 years old. They calculate that before that age, annuity income is too low and the commitment is too long. For their part, beneficiaries of charitable annuities are assured of a set income, guaranteed for life, and the satisfaction of supporting a worthy cause.

In many cases, charities administer charitable annuities themselves; others contract the task to life insurance companies.

The Charitable Trust

Is the income from your investments enough for you to enjoy life? Would you also like to donate your capital to the Old Brewery Mission when you pass away? With a charitable trust, you can make a major donation while continuing to benefit from the assets you transfer. The trust manages the assets you entrust to it until you pass away; the assets are then transferred to the Old Brewery Mission.

You will receive an immediate tax receipt based on the present value of the assets that the Old Brewery Mission will receive on your death.

Because of the costs involved in creating and managing a trust, it is wise to consult your notary to find out whether this type of arrangement suits you. Although there is no set standard, a minimum investment of \$150,000 is often suggested.

The Gift of Listed Securities

You own securities—shares, bonds, etc.—that have greatly increased in value, and you would like a cause dear to your heart to profit from them.

Your first thought might be to sell the securities and donate the proceeds to the Old Brewery Mission charitable organization. Of course, you will receive a tax receipt for the value of the gift and tax credits corresponding to the amount of the donation. But even if you donate the proceeds of a sale of securities, it counts as a disposition of property, which means you will have to pay tax on 50% of the capital gain.

For that reason, there is a clear advantage to transferring securities directly to the Old Brewery Mission. In 2006, the Canada Revenue Agency and Revenue Québec eliminated the capital gains tax applicable to exchange-listed securities transferred to a registered charity. In addition to receiving a receipt for the full value of the securities transferred, you will save the entire capital gains tax. We strongly recommend that you contact the Old Brewery Mission for details of the procedure for transferring securities. In a nutshell, the greater the capital gain; the greater the benefits of opting for direct transfer.

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