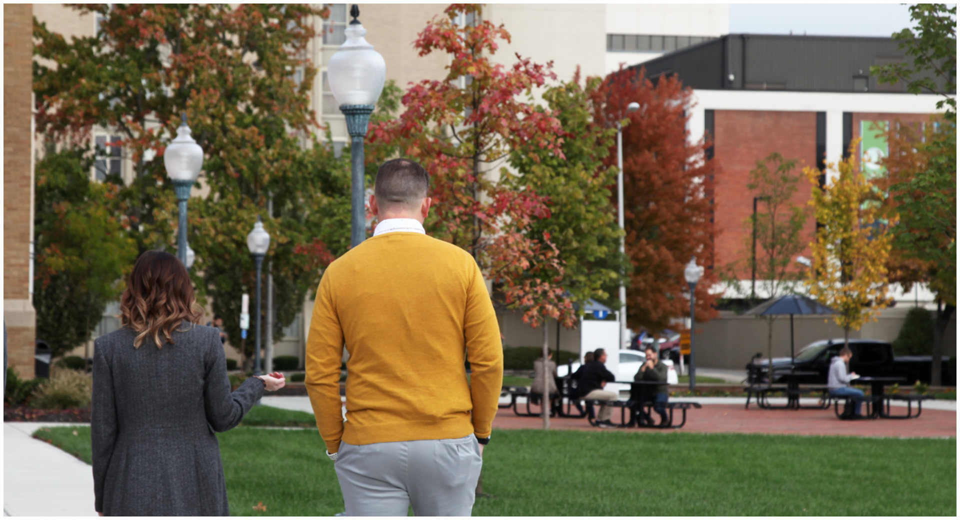
FRANKLIN UNIVERSITY

PLANNED GIVING

Planned Giving Helps Fund Student Scholarships + Campus Improvements



What Will Your Legacy Be?

A planned gift is any gift made during a donor's lifetime that is part of the donor's overall financial and/or estate plan. Planned gifts allow donors to realize their philanthropic intentions while minimizing their tax burden, and to provide long-term, transformational support for the Franklin University community.

Gifts of Cash

If you itemize, you can lower your income taxes simply by writing us a check. Gifts of cash are fully deductible – up to a maximum of 60% of your adjusted gross income. Any excess can generally be carried forward and deducted over as many as five subsequent years.

Gifts of Stock

If you own stock, it is often more tax-prudent to contribute stock over cash. This is because a gift of appreciated stock generally offers a two-fold tax saving. First, you avoid paying any capital gains tax on the increase in the stock value. Second, you receive an income tax deduction for the full fair market value of the stock. Many financial planners recommend making sure you have owned the stock for more than one year to qualify for these tax advantages. Gifts of stock are fully deductible – up to a maximum of 30% of your adjusted gross income. Any excess can generally be carried forward and deducted over as many as five subsequent years.

Gifts of Real Estate

A gift of real estate also offers tax advantages. A residence, vacation home, farm, acreage, or vacant lot may have so appreciated in value through the years that its sale would mean a sizeable capital gains tax. By instead making a gift of this property, you can avoid the capital gains tax, and, at the same time, receive a charitable deduction for the full fair market value of the property. It is also possible to make a gift of your home, farm, or vacation home so that you and your spouse can continue to use it for your lifetimes, while you receive a current income tax deduction.

Gifts of Life Insurance

A gift of life insurance can provide a significant charitable deduction. You could purchase a new policy or donate a policy that you currently own but no longer need. To receive a deduction, designate Franklin University as both the owner and beneficiary of the life insurance policy. Check with your insurance agent for details.

Life Income Gifts

Life income gifts allow you to increase your income, receive a charitable contribution deduction, and avoid capital gains taxes. If you own stock that is paying low dividends, a "life income" gift may be an appropriate gift. Stock can be transferred to the University and established as a "charitable remainder unitrust" or a "charitable remainder annuity trust" that can provide you with a greater annual return. This income would be paid to you and/or a loved one for life, after which the assets would be distributed outright to Franklin University. Through this arrangement, you increase your income while making a meaningful (and tax-deductible) contribution to the University.

Charitable Gift Annuity

A charitable gift annuity is created by a contract between you and Franklin University under which you make a gift to the University and the University promises to pay you a fixed annual income for your lifetime. Gift annuities may be funded with cash, certificates of deposit, publicly-traded securities, and similar assets. You will be entitled to an income tax charitable deduction for part of the value of the assets you transfer to the University. A gift annuity may be especially appealing if you want to supplement your retirement income and make a gift to the University. It is also an ideal way to fund a University endowment that can bear your name in perpetuity. The ultimate benefit, however, is the satisfaction of knowing that your gift will provide vital future support for students, faculty, or programs at Franklin University. (Charitable Gift Annuity (CGA) rates increase, effective July 1, 2022).

Charitable Lead Trusts

Charitable lead trusts are essentially the reverse of a life income gift with the income from the trust being first paid to the University. With this trust, assets are transferred to a trustee who makes payments to the University for a specified number of years, after which time the assets are transferred to your heirs. The charitable lead trust allows you to pass assets on to your children and grandchildren either completely free or substantially free of all estate and gift taxes. This approach is often a good choice for those in top estate and gift tax brackets.

Charitable Remainder Trusts

A charitable remainder trust is a tax-savvy way to increase your current income while you provide a generous gift for the University's future. Through this trust, donors transfer money, stock, or other property to a trustee. The trustee then pays you and/or your spouse's income for life. After the lifetime payments have been made, the trustee transfers the remaining amount in the fund to the University for the specific purpose designated when the trust was created. In addition to the lifetime of income, both the annuity trust and the unitrust offer a number of benefits.

- The donor receives a substantial federal tax deduction upon the creation of the trust
- No capital gains tax liability is incurred upon the transfer of appreciated property to fund the trust
- The beneficiaries receive the benefit of the professional investment management
- The creation of the trust reduces the property which must be administered in the donor's estate and results in favorable estate tax treatment.

Bequests

Franklin University can be named as a beneficiary in your will in any one of a number of simple ways.

- Outright gift, either a designated dollar amount or percentage of your estate can be specified
- A contingent bequest or remainder interest
- Easily add Franklin University to your will through an amendment to your will, called a codicil, to avoid a complete redraft of your will

FRANKLIN UNIVERSITY

OFFICE OF COMMUNITY RELATIONS
201 S. Grant Ave. Columbus, Ohio 43215
614.947.6062 | alumni@franklin.edu