



Crescendo

Integrated Marketing for Planned Gifts

PPGC 2024
SAN DIEGO

**Raise More Gifts
Through Planned
Giving**

Speaker name

Hal J. Abrams, J.D., LL.M.



Hal's definition of Planned Giving

Actively planning with a donor to determine the best assets, best timing, and best structure to accomplish their personal and philanthropic goals. Of course, "best" can vary to mean the best for the donor, their family and/or their preferred non-profit.

Overcoming the Hurdles of Not Now

***"What if I told you that you could address
your concerns AND
help us today (by redirecting Uncle Sam's \$ to
us)"***

***"Your situation reminds me of some other
donors that I have helped..."***

Case Study no. 1

Donor couple, age 60, not willing to make a major gift now because they are concerned that they won't have enough income for retirement and will outlive their assets

Ideas:

Charitable Remainder Trust or
Charitable Gift Annuity pays income for lifetime of two spouses

CRUT

Deferred CGA

Bigger tax deduction?

Overcoming the Hurdle of "Not now, not the right time"

CASE STUDY 2:

Donor couple, age 60, not very liquid, but they will consider a gift after they sell their_____ (business, real estate)

Ideas:

Charitable Remainder Trust
to save the day!

CASE STUDY No. 3:

Donor couple, age 60, not willing to make a major gift now because they are concerned the gift will take away from the inheritance to the kids

Kids These Days

***"What if I told you that you could address
your concerns AND
help us today (by redirecting Uncle Sam's \$ to
us)"***

***"Your situation reminds me of some other
donors that I have helped..."***

Ideas:

- **Involve the kids** in the planning

- How much is too much?

(ideas to involve the children with your non-profit)

Family/Private Foundation

- **PG:** Wealth replacement trust/CRT

- CRT for the kids lifetime

- Pair a CRT with a *CLT

CASE STUDY 4:

Donor has \$25M estate, including many rental properties that net 5% or more. They do not want to pay 40-50% estate taxes. They currently give \$50,000 per year to a few non-profits.

Ideas:

Non-Grantor Charitable Lead Trust

Put \$1M into 20 year CLT, treated as a \$100k gift, use the CLT to pay \$50k/yr to qualified charities, after 20 years, the property will be turned over to the children with no estate tax implications. IT IS OUT OF THE TAXABLE ESTATE!

Ideas:

Grantor Charitable Lead Trust

Put \$1,000,000 of rental real estate (that is earning 5% or more in rents per year) into a CLT. Have the CLT continue to gift the \$50,000 per year to non-profits.

- A 5% CLT for 20 years accomplished this same goal and releases the \$1M (plus appreciation) to the kids in year 20 without any estate taxes.
- Can receive a \$800k - \$900k income tax deduction instead with a grantor lead trust.

CASE STUDY 5:

My wealth manager is luke warm on the idea
of setting up a CRT

Ideas:

Charitable Remainder Trust

allows the donor to remain the trustee and appoint her current wealth
- easier for the WM to diversity since the CRT in a tax-free entity

Logistics:

-Donors don't want to pay for a CRT

Who can act as trustee

Who does the tax return

Inspect property, appraisal

CASE STUDY 6:

Donor couple, age 85, have minimal expenses now that they don't travel, but they are not willing to give more now because they are concerned about having enough money to pay for the upkeep of their home (property taxes, insurance...)

Do you plan to live in your home forever?

- Could you use an income tax deduction?
- Are you worried that you will always be able to pay for property tax and insurance?
 - avoid a reverse mortgage

Could you use an income tax deduction to allow you to save more?

- RLE

- RLE/CGA can provide income for property taxes and insurance

Will you sell assets to pay for assisted living?

- CRT

CASE STUDY 7:

Donor couple, age 70, not willing to make a major gift now because they want to provide for the grandkids college education/home mortgage

Ideas:

- Net Income Charitable Remainder Trust
triggered by turning 18
 - Charitable lead trust
 - Deferred CGA
- 529's, irrev. trust

You Want Tactics?

TACTICS: WHO ASKS THE QUESTIONS

Usually the fundraiser, sometimes a peer, sometimes a third party planned giving professional

Thank you



HalJAbramsPlannedGivingConsultant.com | 541.543.3989



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