

Planned Giving at Forest Ridge

There are many types of planned gifts, including outright gifts, bequests by will, charitable trust, life income agreements, gift annuities and life insurance. Deciding which, if any, are beneficial to you can be confusing. This document provides brief descriptions for the most common types of planned gifts. While Forest Ridge is grateful for planned gifts, it is important to us to know the donor has consulted their attorney and financial advisor. If you do not have such an advisor, Forest Ridge may recommend one. Forest Ridge is not engaged in giving legal or financial advice.

Appreciated Property or Cash

Gifts of land, stock, or other assets that have increased in value can offer substantial tax benefits. You can often avoid capital-gains taxes. Cash gifts should be made payable to “Forest Ridge School.” If the gift is unrestricted it will be used where it is most needed as determined by the Board of Trustees and the Head of School.

Wills and Bequests

Your will can be the perfect way to provide a gift to Forest Ridge. A gift through your will may reduce estate taxes because it removes the gift from your taxable estate. If you already have a will it can be amended by a simple “codicil” to provide a gift to Forest Ridge.

Charitable Remainder Trusts

This gift technique is a way to make a gift now but retain the income from the property for life or for a period you specify. You or your beneficiary receive an income for life with either a fixed dollar amount through a Charitable Remainder Annuity Trust or a variable amount through a Charitable Remainder Unitrust. A tax deduction is allowed at the time you create the trust.

Charitable Gift Annuities

When you establish a Charitable Gift Annuity, you transfer cash or securities directly to Forest Ridge. Forest Ridge, in turn, pays a fixed amount to you and, if you wish, to another beneficiary for life. Some of this income may be tax deductible. The amount paid is based on your age. Upon your death, the remainder becomes a gift to Forest Ridge.

Charitable Lead Trusts

A Charitable Lead Trust allows you to make a gift of income to Forest Ridge over a fixed period of time. At the end of that time, the principal of the trust is paid to you or to your beneficiary. A Charitable Lead Trust allows you to take a deduction from current taxable income and transfer property to a beneficiary with minimal estate tax consequences.

Life Insurance

Most people can make a gift to Forest Ridge far larger than they thought possible through a life insurance policy. Forest Ridge can be the beneficiary, a contingent beneficiary, or a co-beneficiary. You may also choose to give a paid-up policy that you no longer need. Death benefits from an insurance policy are not part of your taxable estate if paid to Forest Ridge. Premiums paid on a policy in which Forest Ridge is a beneficiary or owner may be deductible from income tax.

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Qualified Retirement Plans

Naming Forest Ridge as a beneficiary of a Qualified Retirement Plan or IRA creates a very significant exemption from estate taxes at the time of death. In addition, IRAs and Qualified Plans are typically funded using pre-tax income. Lifetime withdrawals from a Qualified Plan of excess funds can also be used to fund lifetime gifting to Forest Ridge.

Life Estate Agreements

You may give Forest Ridge your personal residence or other property while retaining the right to live there or use the property for the rest of your life. The property only passes to Forest Ridge upon your death. This type of gift provides a significant deduction from taxable income.

Special Endowments

Planned Gifts can support endowments at Forest Ridge. A gift to our endowment is kept in reserve to enhance the financial future of Forest Ridge.

Existing endowment possibilities include:

- Scholarships
- Faculty and Professional Development
- Facilities
- Technology
- General Endowment Fund

Or, areas of special interest to you, such as:

- The Global Network Project
- The Faculty Exchange Program
- The Chapel Fund
- Others