# THE MANY BENEFITS OF GIVING REAL ESTATE

EST. 1893
WALNUT HILL
SCHOOL FOR THE ARTS

## The benefits and responsibilities

Owning real estate has many benefits. Appreciation is perhaps the most desirable of them from a financial perspective. Over time, however, the benefit of appreciation can be overshadowed by the responsibilities of real estate ownership. Selling is always an option, but an often overlooked option, with considerable financial benefits, is giving the property to Walnut Hill.

Selling a property owned for many years can result in excessive taxes. This is particularly the case for vacation homes and investment properties. A significant portion of the sale proceeds may be lost to taxes.

## Giving and saving taxes

Make a gift of your real estate and save taxes, and, if you wish, create a new stream of income. When you give a property either directly to Walnut Hill or to a charitable remainder trust that will ultimately benefit Walnut Hill, your tax and financial benefits are likely to be considerable.

## Ways You Can Give Real Estate

**An Outright Gift** - Give your real estate directly to Walnut Hill. While Walnut Hill will need to determine if the property is suitable for it to accept the transfer itself requires little more than a deed. You will receive an income tax charitable deduction for the fair market value of your gift and escape all taxes on the capital gains.

**A Gift in Your Will or Revocable Living Trust** - If you wish to retain control of your property during your lifetime but desire to make a gift to benefit Walnut Hill School for the Arts after your passing, a provision in your will or revocable trust can give the real estate to Walnut Hill from your estate. Should your needs change, you will have the ability to revoke the gift.

**In Exchange for Income** - If you wish to give your property to Walnut Hill and create income, you can transfer the property into a tax-exempt charitable remainder trust. You will receive an income tax charitable deduction for a portion of the fair market value of the property. The trust will sell the property and no taxes will be due. All the proceeds from sale will be invested. You will receive payments for life. When the trust terminates, the remaining assets will go to benefit Walnut Hill.

**A Gift of Some** - You can give a percentage interest in your property to Walnut Hill and keep the remaining interest. This will result in an income tax charitable deduction for the fair market value of the interest you give to Walnut Hill. It is possible for both Walnut Hill and you to sell the property, with both receiving cash proceeds. You can use your charitable deduction to offset capital gain taxes from the sale of the interest you retained. You can also give a percentage interest in your property to a charitable remainder trust, generating an income stream for you once the property is sold.

## We are here to assist

If you have questions please contact our Office of Legacy Giving by sending an email to development@walnuthillarts.org.