

## Gifts through a Will or Living Trust

A charitable bequest is a gift to charity made at death through a will or trust. You can make a bequest of any size, and direct the gift to support the purpose or program at Melbourne Central Catholic that is most important to you. Many people support the school in this way. For some, this is their first gift to MCC, but for others this is a continuation of giving begun during their lifetimes.

Bequests are a vital source of support for the school. In addition to supporting bright and highly motivated students, bequests have also supported outstanding faculty and provided funding for state-of-the-art facilities and equipment. The school particularly values unrestricted gifts, which can be used by the administration to support priority needs.

### Frequently Asked Questions

**Do I need a will or trust?** If you want to control the disposition of your property at death, you need to have a will or a trust to direct how and to whom your property is to be distributed. In your will you can also name a person or company to administer your estate and someone to serve as a guardian of minor children. If you do not have a will, state law determines to whom your property is given – with no provisions for gifts to friends or charities.

A gift in your will can be:

- A specific dollar amount or a specific asset.
- All or a percentage of the “residue” of your assets (what is left after you have made other gifts).

- Unrestricted (used for general educational purposes of the school).
- Restricted (used for a particular purpose).
- Contingent (gift is made only if specific conditions occur, e.g., your spouse has died before you).
- Changed by you at any time.

**How does MCC use bequests?** The school uses gifts from estates as the donor directs. Often bequests are made to establish a named endowment in honor of the donor or others. Endowments are permanent funds designed to provide a perpetual source of annual support for a designated purpose, such as program operations, faculty support, and student scholarships. Bequests can also be designated for current use, which makes the entire gift available for use immediately.

**Can I get tax benefits from making a bequest to the School?** Charitable gifts from estates present a variety of tax planning opportunities. But unlike charitable gifts made during your lifetime, you do not receive a current charitable income tax deduction. However, if your estate is subject to estate tax (federal or state) a bequest to the school entitles your estate to an estate tax charitable deduction for the amount donated and reduces the amount of tax your estate must pay. Note also that if you make a gift by naming the school as a beneficiary of your retirement plan or IRA, there are income tax benefits.

## Six Steps to Creating a Charitable Bequest to MCC

1. Determine the people and charities you wish to support and the property you expect to be available for those gifts.
2. Consult with an attorney who regularly prepares wills, trusts and other estate planning documents.
3. Contact our development staff to discuss your gift to MCC. We can help make sure your gift will be used for your chosen purpose.
4. Ask our development staff to provide you with sample bequest language to share with your attorney.
5. Provide our development staff with a copy of the relevant provision from your will or trust benefiting MCC.
6. Receive appropriate acknowledgment and recognition for your intended gift.

This information is designed to provide information and illustration of the subject matters covered. It is not intended, nor should it be used as legal, accounting or other professional advice. It is always a good idea to seek legal and tax advice from your professional advisor(s).