



BEQUEST ARRANGEMENTS FOR THE ARTS COUNCIL

“7 Ways to Make Bequests”

The easiest and most common way for you to make a gift to The Arts Council of Moore County is through a bequest in your will or revocable trust. The tax laws encourage charitable bequests, so it is an excellent way to support our programs while reducing your actual or potential estate taxes.

A will is a statement about what matters most in your life. By making a will you can clearly express your intentions. Your executor will follow your wishes in administering your estate.

After providing for family and friends, consider a meaningful gift to the Arts Council to continue your lifetime of support. Bequest gifts can take many forms such as a specific gift amount, a specific gift type, a percentage of your estate, a percentage of the residue of your estate, or the entire residue considering all other provisions of your will. Or a bequest can be contingent, which is taking effect only after other provisions cannot be satisfied.

1. Specific Bequest

Probably the most popular type of bequest, the donor designates the Arts Council to receive a specific dollar amount or a specific piece of property. As with any charitable bequest, the estate receives a charitable estate tax deduction for the full amount of the bequest.

Example: John Doe wills \$10,000 to The Arts Council of Moore County, Inc.

Sample language: “I give to The Arts Council of Moore County, Inc., a North Carolina nonprofit corporation, federal tax ID Number 56-1083785, with corporate offices located at 482 E. Connecticut Ave., Southern Pines, NC 28387, the sum of \$10,000 for its general uses and purposes.”

2. Percentage Bequest

The donor gives The Arts Council of Moore County Inc. a percentage of the estate.

Example: Jane Smith leaves 25% of her estate to The Arts Council of Moore County, Inc. and the balance (75%) is divided between her brother and sister.

Sample language: “I give to The Arts Council of Moore County, Inc., a North Carolina nonprofit corporation, federal tax ID Number 56-1083785, with corporate offices located at 482 E. Connecticut Ave., Southern Pines, NC 28387, twenty-five percent (25%) of my estate for its general uses and purposes with the balance divided equally between my brother Sam Smith of ABC Hometown and my sister Mary Jane Smith of ABC Hometown.”

3. Percentage of the Estate Residue

After making specific bequests to family and friends, the donor’s estate is divided among others or charities, which may include The Arts Council of Moore County, Inc.

Example: Mary Kay Jones leaves \$200,000 of her estate to several friends and family members and instructs her executor to distribute the remainder of her estate 50% to The Arts Council of Moore County, Inc. and 50% to her church.

Sample language: “All the rest, residue and remainder of my estate, of what so ever kind and where so ever situate, shall be distributed as follows: fifty percent (50%) to The Arts Council of Moore County, Inc., a North Carolina nonprofit corporation, federal tax ID Number 56-1083785, with corporate offices located at 482 E. Connecticut Ave., Southern Pines, NC 28387, for its general uses and purposes and fifty percent (50%) to my local church.”

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4. Residue of the Estate

The donor, after providing several specific bequests to family and friends, leaves 100% of the residue to The Arts Council of Moore County, Inc.

Example: Bob Adams leaves his nieces and nephews \$200,000 in several specific bequests and instructs his executor to distribute the balance of his estate to The Arts Council of Moore County, Inc. to establish a memorial in his family's name.

Sample language: “All the rest, residue and remainder of my estate, of what so ever kind and where so ever situate, shall be distributed to The Arts Council of Moore County, Inc., a North Carolina nonprofit corporation, federal tax ID Number 56-1083785, with corporate offices located at 482 E. Connecticut Ave., Southern Pines, NC 28387, to be deposited into its general endowment fund as a memorial for the deceased members of the Adams Family.”

5. Contingent Bequest

This type of bequest takes effect only if all other conditions fail. This will insure the property will pass to The Arts Council of Moore County, Inc. rather than unintended beneficiaries.

Example: If Janet Green's brother dies before her, Janet leaves his bequest to The Arts Council of Moore County, Inc.

Sample language: “I give to my brother, Joseph Green of ABC Hometown, the sum of \$25,000 and if my brother, Joseph Green, is not living at the time of my death I direct the amount due him be paid to The Arts Council of Moore County, Inc., a North Carolina nonprofit corporation, federal tax ID Number 56-1083785, with corporate offices locate at 482 E. Connecticut Ave., Southern Pines, NC 28387, for its general uses and purposes.”

6. Bequest of Retirement Plan Assets

All retirement plan programs, IRA's, Keogh's, 403(b) plans, pension and profit sharing plans require a primary beneficiary be named when the plan is established. This beneficiary can be changed at any time normally at no cost and may include a charity. Therefore, you might consider naming The Arts Council of Moore County, Inc. as a beneficiary of all or a portion of your retirement plan assets.

7. Bequest Establishing a Charitable Gift Annuity

One of the most beneficial plans for leaving the income of assets to an heir is to use your will to establish a Charitable Gift Annuity agreement in their name. A charitable gift annuity provides your heir(s) a fixed guaranteed lifetime payment and provides your estate an estate tax charitable deduction. The rate of payment is established by the beneficiaries' age when the agreement is funded. The Arts Council will receive the net proceeds of the annuity upon the beneficiary's death and apply the proceeds to the project or program you select.

Example: John Doe wills \$10,000 to The Arts Council of Moore County, Inc., for a Charitable Gift Annuity.

Sample language: “I give to The Arts Council of Moore County, Inc., a North Carolina nonprofit corporation, federal tax ID Number 56-1083785, with corporate offices locate at 482 E. Connecticut Ave., Southern Pines, NC 28387, the sum of \$10,000, provided The Arts Council of Moore County, Inc. shall pay an annuity to my spouse, Mary Doe, during her lifetime at then rate being paid by The Arts Council of Moore County, Inc. to annuitants of my spouse's age and sex at the date of my death. The

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annuity shall be non-assignable. The payments are to be made quarterly and shall end with the quarterly payment preceding my spouse's death.

I intend to make a charitable gift to The Arts Council of Moore County, Inc. and to provide an annuity for my spouse. If The Arts Council of Moore County, Inc. has no annuity program or for any other reason is unable to obligate itself to make annuity payments to my spouse, I give \$2,000 to The Arts Council of Moore County, Inc. for its general purposes and direct my executor to purchase for \$8,000 from a life insurance or annuity company of good standing in the United States a non-assignable annuity contract providing for the payment of an annuity, quarterly, to my spouse during her lifetime at then rate being paid by such company to annuitants who are my spouse's age at the time of the purchase of the annuity. If my spouse does not survive me, I give \$10,000 to The Arts Council of Moore County, Inc. for general uses and purposes.”

Charitable bequests are an excellent method to provide for The Arts Council of Moore County, Inc. without parting with your assets during your lifetime. Your estate receives the full benefit of an estate tax charitable contribution deduction, and you can specify your preferences about the use of your gift within The Arts Council of Moore County, Inc.

Our official name and designation is: **The Arts Council of Moore County, Inc., a North Carolina nonprofit corporation, federal tax ID Number 56-1083785.**

Contacts for additional information:

Chris Dunn, Executive Director – 910-692-2787 | chris@mooreart.org
Ray Owen, Development Director – 910-692-2787 | ray@mooreart.org

NOTE: This information is taken from sources believed to be reliable but is not guaranteed as to completeness or accuracy. You are urged to seek the advice of your financial planner, attorney, and/or tax advisor to make certain a contemplated gift fits well into your overall circumstances and planning.