

Planning for the future - for you and the community.

Charitable Remainder Trust



Community Foundation
for Greater Buffalo

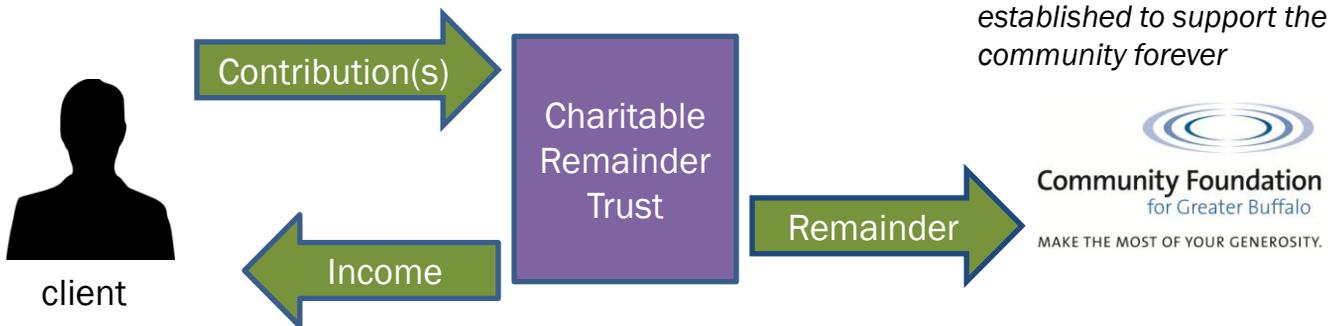
MAKE THE MOST OF YOUR GENEROSITY.

An option for investing in the Western New York community is to establish a Charitable Remainder Trust (CRT) with the Community Foundation for Greater Buffalo. A CRT is a way for charitably-minded individuals to make a gift, while maintaining an income stream for themselves or their loved ones. At the end of the trust term, the trust assets will be used to create a fund in the client's name at the Community Foundation. The named fund will support the needs of the community according to the client's wishes.

Charitable Remainder Trusts are an *effective* way for family members to receive income while ultimately providing for *charity*.

Phase 1 A client makes a gift of cash or other assets to create a CRT

Phase 3 At the end of the trust term, a fund in the client's name is established to support the community forever



Phase 2 The client receives income for life and immediate tax benefits

Connecting people, ideas and resources to improve lives in Western New York

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Would you like to receive income for your lifetime and benefit the community forever?

Would you like to reduce your estate tax liability?

If you answered "yes" to any of these questions, then a charitable remainder trust could be right for you.

The Community Foundation can serve as trustee, overseeing all administrative and investment responsibilities.

How it works:

- The client places property, cash or other assets, into a trust and specifies that during the trust term the payments from the trust will be made to the client and/or one or more persons.
- The trust term may be for a set period of time, up to 20 years or the remainder of the client's (and/or other individuals) life.
- Payments may be based on a percentage of current value of the trust or a fixed amount. Payment rate is determined based on the expected duration of the trust, anticipated remainder value, and the client's income requirements.
- At the end of the trust term, the remaining trust assets establish a perpetual endowment fund at the Community Foundation, in the client's name, to benefit charitable purposes in the community.
- Given the unique nature of the needs and interests of each client, the Community Foundation evaluates the parameters of each potential relationship individually. A projected minimum remainder interest of \$250,000 is generally required.

Benefits:

- The client and/or individuals of their choice will receive an income stream for life or a term of years.
- The client will receive an immediate tax deduction on the assets placed in trust.
- A CRT may help the client reduce or eliminate gift and estate taxes, improve lifetime cash flow and when coupled with an asset replacement trust, provide for heirs as well.
- A fund named by the client will provide for the changing needs of the community forever.
- The assets used to fund the CRT will be removed from the client's estate for tax and probate purposes.