



# Friends *of the* San Juans



## Bequest

A **bequest** is the simplest planned gift to implement, or change should you ever need the assets during your lifetime.

A gift to Friends of the San Juans in your will or living trust allows you to retain your assets during your lifetime.

### A bequest may be right for you if you:

- Would like to make a gift to Friends.
- Want to retain the flexibility to change your mind.
- Want continued access to your assets, in case you need it.
- Are concerned about outliving your resources.

### How it works:

1. You make Friends a beneficiary in your will or trust, or a designated beneficiary of your retirement plan, life insurance policy, or another asset.
2. Friends receives your gift when your estate is settled.

### Drafting information

The following information is intended to help you and your attorney in drafting a bequest.

Legal Name: Friends of the San Juans

Address: P.O. Box 1344 Friday Harbor, WA 98250

Tax Id#: 91-1087153

Nonprofit status: Active and in good standing

## Sample language

**Unrestricted Gift:** A gift that can be used where the need is greatest  
*I give, devise, and bequeath to Friends of the San Juans, Friday Harbor, WA (insert dollar amount) Dollars\* to be used for its general purposes.*

**Residuary Bequest:** Leaves any remainder after all other bequests have been paid

*I give, devise, and bequeath to Friends of the San Juans, Friday Harbor, WA (insert percentage amount) percent of the residue of my estate to be used for its general purposes.*

**Contingency Gift:** Takes effect only if a primary intention can't be met  
*In the event that (insert name) predeceases me, I give, devise, and bequeath his/her bequest or share to Friends of the San Juans, Friday Harbor, WA, to be used for its general purposes.*

\*Rather than leaving a dollar amount, you can include language that refers to a percentage of your estate or a description of the property you wish to give.

## Beneficiary Designation

A **beneficiary designation** is an easy way to specify the individuals and charities you want to support by specifying the percentage of the assets you want each beneficiary to receive.

You could use this method when giving the following assets.

### Retirement Assets

An alternative to a bequest gift is to designate Friends of the San Juans as the beneficiary of your retirement assets. This method is as simple as filling out a new beneficiary form from your retirement plan administrator.

### Life Insurance

To use your life insurance policy to make a gift, complete and return to the insurance company a form designating that Friends receives all or a portion of the benefit associated with your life insurance policy. You may also transfer ownership of the policy, which will result in an immediate income tax charitable deduction and potential tax savings in the year you make the gift.

### Commercial Annuity Contracts

You can name Friends to receive all or part of the remaining value at the end of the annuitant's lifetime by designating it as a beneficiary on the appropriate form from the insurance company.

### **Bank Accounts**

To direct all or a portion of what remains in a checking or savings account to Friends, you can fill out the appropriate beneficiary designation form provided by your bank.

### **Investment Accounts**

You can direct your investment company to transfer to Friends some or all investments held in your account. Please check with your broker or agent to find out more about the process of doing this.

### **Donor Advised Fund**

A **donor-advised fund** (DAF) is administered by a third party where your contribution can be invested and grow tax-free. DAFs allow you to give cash, stock and other assets in return for an immediate tax deduction when the contribution is made to the third party. You can grant specified amounts to the charities of your choice at a later time.

#### **A Donor Advised Fund may be right for you if you:**

- Are looking for an easy, flexible, and low-cost method of giving.
- Want to take advantage of a tax charitable deduction in the current year.
- Want more time to decide which charities to support.
- Choose to contribute in installments over time.
- Want to contribute a wide range of assets including cash, mutual funds, publicly traded securities, private equity and hedge fund interests, real estate, or Bitcoin.
- Want to contribute appreciated securities and take a full deduction without paying tax on the capital gains.
- Want to leave a legacy gift by naming a nonprofit such as Friends as a charitable beneficiary of your DAF.

Unrestricted gifts give Friends the greatest flexibility to use funds where they are most needed. As per the Friends Funds and Restricted Donations Protocol, all unrestricted planned gifts will be treated as additions to the Friends endowment fund.

Friends will honor a donor's stated intent for the use of a gift. Bequest provisions designated for a specific program or activity require additional language.

*Please note that donors are strongly urged to obtain the assistance and advice of competent and independent professional advisors, including, but not limited to, tax, financial, and legal advisors in matters pertaining to their donations, including potential tax and estate planning consequences. For clarity's sake, Friends cannot serve as both the donor's advisor, legal or otherwise, and the recipient of the donor's donation. Further, Friends cannot provide legal or tax advice to donors. Donors and potential donors should not rely on any legal or tax information, conclusions, or commentary provided by Friends.*

*Friends of the San Juans FEIN 91-1087153 P.O. Box 1344, Friday Harbor, WA 98250 7/2021*