



Leaving a lasting legacy Gifts of Life Insurance

Life insurance policies can be an attractive way to make a gift to a charity and provide beneficial tax savings. A gift of life insurance is an economical way to give a larger and more lasting gift without a significant impact on disposable income. There are a number of ways to make such a gift:

Establish a new charitable life insurance policy

A new policy that names PRHC Foundation as the owner and beneficiary will allow you to contribute yearly premiums over time and receive tax deductible receipts for the amount of the premium.

If you have an old policy

We use life insurance to ensure our loved ones will not be in financial hardship if something happens to us. Sometimes we buy life insurance when our children are young but when they become adults, the need to financially provide for them is less important.

- You can transfer ownership of a paid-up policy to the Foundation and get a charitable receipt for the cash-surrender value of the policy and any accumulated interest or dividends.
- If premiums are still payable, you can make the Foundation the irrevocable owner and beneficiary and receive tax receipts for the premiums they pay.
- You can name the Foundation as beneficiary of the policy, or name the estate the beneficiary and make a bequest for the value of the policy. In this way you can still access the money if circumstances change. The Foundation will receive the tax-free proceeds and the estate will be eligible to claim a donation tax credit.

Life insurance is a flexible estate planning tool that may allow you to meet several objectives.

Benefits to you:

- gift can be made immediately rather than waiting to make a gift from assets
- all premiums paid after transfer of ownership will be tax receipted by the charity
- no depletion of assets when charity is named as the beneficiary leveraged gift allow you to make a major gift to the charity at a fraction of the ultimate gift value

For more information, please call Jennifer Cureton, Manager Annual & Legacy Giving at (705) 876-5000, ext. 4189.

Please Note: This information is not meant to replace professional advice. We strongly recommend that donors discuss their tax/estate plans with their advisors to receive the best advice for their situation.