

Life Insurance

The KGH Foundation welcomes charitable gifts of Life Insurance.

Benefits of this Planned Gift:

- 📖 Leave a Substantial Legacy for Low Cost
- 📖 Protect your estate assets for your beneficiaries.
- 📖 Immediate tax relief, or
- 📖 Tax relief, which offsets estate taxes
- 📖 Passes directly to the Foundation outside of your Will

Life insurance is an exceptionally attractive option for donors who wish to leave a substantial legacy at a relatively low cost. The eventual gift to the Foundation is much larger than the real cost to the donor. This planned gift also provides the flexibility of an immediate annual tax benefit, or a deferred tax benefit to your estate. For donors who wish to protect their estate assets, using life insurance to leave your legacy will fulfil this goal. The realization of the life insurance will pass directly to the Foundation, creating your legacy without using other estate assets to fulfil your charitable wish.

If an annual charitable tax receipt would be most useful to you, you may wish to establish a new policy and transfer the policy to the KGH Foundation, with insurance premiums paid annually over a select number of years. Or if you have an existing policy with annual premiums, transferring the policy ownership to the KGH Foundation is a simple process. Each year you will receive a charitable tax receipt for the full amount of premiums paid.

If you have a fully paid policy that you would like to use to leave your legacy, the Foundation will issue a charitable tax receipt for your policy's current cash surrender value at the time of the transfer. Your charitable tax receipt can then be used to offset any taxable income, with any unused portion of the receipt carried forward for up to five years.

It is important to note that transferring the ownership of the policy is considered an irrevocable gift. The CCRA will not allow ownership to be transferred back to the donor at a later date.

Alternately, you may wish to list the KGH Foundation as the beneficiary to your policy. This method is not an irrevocable gift. Upon receipt of the proceeds of the policy, your estate will receive a charitable tax receipt for the full amount of your gift. This charitable receipt can then be used to offset any estate taxes, which will then assist your estate beneficiaries.

KGH FOUNDATION

For individuals and families who have a particular interest in retaining the privacy of their family's assets divested through the will, a gift of life insurance is a preferred method. This gift need not be included in your will. The proceeds of your policy will flow directly from the insurance carrier to the Foundation and do not pass through probate.

Gifts of life insurance are a wonderful way to leave your legacy, regardless of your age. However, this is a particularly attractive planned gift for our younger donors because life insurance allows younger donors to establish a substantial legacy without a large asset base.

The permanent legacy of an endowment is a thoughtful way of using the proceeds of a life insurance policy. An endowment will continue on in perpetuity, providing support for future generations. Using a gift of life insurance to create a permanent legacy will create history, provide you or your estate with welcome tax relief, and will protect your estate assets for your beneficiaries.

Sample Gift

The following gives you an idea of the significant legacy you may leave for a relatively low monthly donation. Note that the monthly cost will be further reduced by up to 43.7%* when you factor in the annual tax receipt.

Couple at age	Monthly donation for 5 Years	Your Legacy when you reach age 85	Your Legacy when you reach age 90
40	\$125.00	\$216,000.00	\$281,000.00
50	\$150.00	\$140,000.00	\$164,000.00
60	\$300.00	\$150,000.00	\$173,000.00
70	\$600.00	\$146,000.00	\$161,000.00

*43.7% is based on the maximum tax rate in the province of B.C.