

Charitable Remainder Trust (Gift that Produces a Lifetime Income)

Example: Helen, age 70, owns the same appreciated Apple stock as George but she feels that she cannot give it outright because she needs to invest for retirement income. By putting \$100,000 worth of stock into a charitable remainder trust, she avoids all the capital gains tax, gets a tax deduction in the year she sets up the trust, and has an income of at least \$5,000 per year for the rest of her life with a good possibility of increased income as the trust grows in value.

Charitable Lead Trust (A Gift that Provides Income to Charity for Period of Years and then Returns the Asset to the Donor's Family without any Tax)

Example: Adam owns an office building that he built some years ago for \$1M. Renting regularly to doctors' offices, Adam knows the building (now worth \$5M) produces a steady income and is likely to appreciate still further in the future. Adam would like to give the building eventually to his two children. By placing the building in a charitable lead trust, Adam can make an annual gift to AGC of \$300,000 for a set period of years, while, at the same time he can transfer the building to his children with no gift or estate tax, no matter how much the building will be worth in the future.

Bargain Sales (A Sale to a Charity for Less than Market Value)

Example: Marilyn owns a piece of highly desirable real estate worth \$100,000. She would like to make a gift but needs \$40,000 to invest in another property. She can sell the property to AGC for \$40,000, get a tax deduction for the \$60,000 difference, and move forward with her new purchase.