

Estate Gifts - *The Power of Your Will*

Will Power - the power to use the assets accumulated over a lifetime of accomplishment to provide for your loved ones as you see fit, rather than as the government might determine. Moreover, you retain control to easily make revisions should your future circumstances change.

When you include **Red Roof Retreat** in your will, you're using your "will power" to help provide quality respite and recreational programs for children, youth and young adults with special needs, and their families in the Niagara Region for years to come.

Estate gifts by will (also called "bequests") enable us to build a solid base of funding through our various endowed and expendable funds. If you have already prepared a will, you can easily "amend" it (using a "codicil"), providing for an end-of-life gift to us. If you haven't yet drafted your will, this is the best time to prepare one – and you'll find that it is neither difficult nor expensive to do!

A gift by will to **Red Roof Retreat** yields some significant tax benefits as well. At death, your estate is entitled to a donation receipt for the full value of your gift, resulting in a significant tax credit on your final income tax return.

Example:

Jackie, a widow, leaves \$10,000 to Red Roof Retreat and the remainder of her estate to her two children. Assuming the entire amount of her gift is eligible for a tax credit and the combined federal and provincial tax credit in Ontario is 46%, her bequest provides the remainder of her estate with tax savings of \$4,600.

The donation limit for a bequest is **100% of income** in the year of death, and the **100% limit** also applies to any excess carried back to the prior year.

We're here to help...

It is important to consult in advance with a **Red Roof Retreat** representative to ensure that your wishes can be met and that your estate gift provision is worded effectively.

For more information about making an estate gift and other ways to invest in our future, please contact:

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Achieving Your Goals

Your estate gift may take different forms. Some examples follow, with suggested wording for discussion with your legal advisor(s):

- ❖ A **general bequest** provides for a certain dollar amount of identified property, usually an *outright gift of cash*:

"I give to Red Roof Retreat, the sum of \$5,000 to be used for its general purposes at the discretion of its Board of Directors".
- ❖ A **specific bequest** directs that **Red Roof Retreat** receive a specific piece of property:

"I give . . . 100 shares of XYZ stock . . ."
- ❖ A **residual bequest** designates all or a portion of whatever remains after all debts, taxes, expenses and other specific bequests have been paid:

"I give . . . fifty percent (50%) of the rest, residue and remainder of my estate to Red Roof Retreat..."

In addition, you can also direct the **purpose(s)** for which you'd like your gift to be used. While many bequests will be donated to us for our **general purposes** (as in the first example above), you may also choose to **restrict** your gift so that it is used for a particular program or purpose.

Subject to our gift acceptance policies, you may specify that the principal of your gift be held in an **endowed** fund from which only the earned income is to be expended, or direct that it be held in an **expendable** fund to be strategically disbursed over time. You may also choose to name such a fund for yourself or as a memorial to honour a family member, friend or colleague.

*Will Power – it's yours when you prepare a will and include **Red Roof Retreat** in your plans. Your *present* will be a gift with enduring value...far into the *future*.*

This information does not constitute legal or financial advice and should not be relied upon as a substitute for appropriate counsel. We recommend that you seek professional legal, estate planning, and/or financial advice before deciding on a course of action.

