

## **An Advisor's Guide to Charitable Gift Planning for Catholic Clients**

Dear Advisor:

Your Catholic clients may wish to support a parish, school or ministry agency or the Archdiocese of Indianapolis or a Catholic organization outside of the diocesan boundaries. Perhaps they are interested in setting up an endowment, a donor-advised fund or would like to establish a charitable gift annuity or charitable trust. This guide is offered for your information regarding the appropriate language for bequest gifts as well support offered by the Catholic Community Foundation, Inc.

The Catholic Community Foundation, Inc. was incorporated in 1987 by the Roman Catholic Archdiocese of Indianapolis as an umbrella organization to provide professional management for individual endowment funds established for the benefit of Catholic organizations. The foundation is organized as a wholly tax exempt organization under the rules prescribed by the Internal Revenue Service and the Indiana Department of Revenue.

Gifts may be made to the foundation's general funds or to various endowments for religious, charitable, and educational purposes. The principal of these funds remains untouched while earnings are used to help meet the growing financial needs of individual parishes, schools, ministry agencies and institutions throughout central and southern Indiana.

Donors also may elect to establish an endowment in their name or the name of a loved one that supports a parish, agency or program of their choosing. The Catholic Community Foundation also offers a donor-advised fund program whereby donors provide recommendations for organizations they would like the fund to benefit each year. I would be happy to explore the many opportunities available for those interested in providing philanthropic support to the Church.

Thank you for addressing your client's philanthropic interests by providing them with the guidance and planning necessary to accomplish their charitable goals and objectives. Please do not hesitate to contact me at [ebrunner@archindy.org](mailto:ebrunner@archindy.org), 317-236-1427 or 800-382-9836, ext. 1427 if I may be of assistance.

Thank you for your consideration.

Ellen M. Brunner  
Director of Planned Giving  
Archdiocese of Indianapolis  
Catholic Community Foundation  
1400 N. Meridian Street  
Indianapolis, Indiana 46202-2367

PS: Please visit [www.archindy.org/ccf/plannedgiving](http://www.archindy.org/ccf/plannedgiving) to view planned giving materials.

## **ENDOWMENT FUNDS**

The Catholic Community Foundation holds more than 400 endowment funds benefitting parishes, schools and ministry agencies

Numerous unrestricted endowments for parishes, schools and ministry agencies have been established. In addition to gifts to existing endowment funds, a donor may elect to establish a new endowment fund with a minimum gift of \$5,000 in honor or memory of a loved one.

## **DONOR-ADVISED FUNDS**

The Catholic Community Foundation also offers donor-advised funds. A donor-advised fund is a charitable giving vehicle administered and created for the purpose of managing charitable donations. It is an easy-to-create, flexible vehicle for charitable giving.

After establishing the fund, donors make recommendations to the Catholic Community Foundation about which charities should receive gifts from their fund. Gifts are provided to charities on an annual basis.

## **CHARITABLE GIFT PLANNING SUPPORT PROVIDED**

In addition to receiving outright gifts during life and testamentary legacies, the foundation also may accept and arrange for gifts-in-kind, deferred giving plans, charitable remainder trusts and charitable lead trusts. The foundation also offers a charitable gift annuity program.

Below are a few points to keep in mind:

1. The Catholic Community Foundation offers a charitable gift annuity program, providing annual income to the donor or a person of the donor's choosing immediately, at a future point in time or for a period of time. Rates for charitable gift annuities typically are 5 percent and higher, depending on the age of the person receiving the income and/or the length of the income obligation. The older the person is, the higher the rate.
2. The Catholic Community Foundation does not typically serve as trustee for charitable trusts. However, under certain circumstances, the foundation will consider serving in that role.
3. The Catholic Community Foundation is pleased to offer consultation to donors and their advisors regarding planned giving techniques suitable for a donor's philanthropic objectives and goals. The foundation staff is available to generate illustrations that describe giving techniques and their benefit to the donor and/or a loved one.

The **following forms** are offered to attorneys for drafting wills of donors who want to make simple, outright bequests. A donor's parish, school, ministry agency and/or the Catholic Community Foundation are all available options for gift designation.

### **UNRESTRICTED GIFT TO FOUNDATION**

The following is suggested language for unrestricted bequests to be used for the greatest current need of the local Catholic Church:

**I BEQUEATH** to the Catholic Community Foundation, Inc., a not-for-profit corporation located in Indianapolis, Indiana, for the religious and charitable purposes of the Foundation,

- \_\_\_\_\_% of my estate (or)
- the sum of \$\_\_\_\_\_ (or)
- all my right, title, and interest in the following described property:  
\_\_\_\_\_ (or)
- all the rest, residue, and remainder of my estate

to be used in such manner as the board of directors of said foundation shall, in its sole discretion, determine.

### **BEQUEST TO PARTICULAR ENDOWMENT FUND OF FOUNDATION**

**I BEQUEATH** to the Catholic Community Foundation, Inc., a not-for-profit corporation located in Indianapolis, Indiana,

- \_\_\_\_\_% of my estate (or)
- the sum of \$\_\_\_\_\_ (or)
- all my right, title, and interest in the following described property:  
\_\_\_\_\_ (or)
- all the rest, residue, and remainder of my estate

for the (enter name of school, parish or other) Endowment Fund.

### **BEQUEST TO A PARISH, SCHOOL, AGENCY OR THE ARCHDIOCESE OF INDIANAPOLIS**

**I BEQUEATH** to *ENTER CATHOLIC ENTITY'S LEGAL NAME*

- \_\_\_\_\_% of my estate (or)
- the sum of \$\_\_\_\_\_ (or)
- all my right, title, and interest in the following described property:  
\_\_\_\_\_ (or)
- all the rest, residue, and remainder of my estate

(add items 1, 2 or 3 below).

- (1) to be used for its religious, charitable or educational purposes.

- (2) to be used for the religious, charitable or educational purposes of the (insert name of parish or other archdiocesan agency or entity) or if no longer in existence, then as Archbishop might decide.
- (3) to be used for (state specific purpose, e.g., education of students for the priesthood, clergy or lay retirement programs, etc.) or if not possible then as Archbishop might decide.

## **RESIDUE TO PARISH, AGENCY OR ARCHDIOCESE**

### **RESIDUE TO A PARISH**

**“I DEVISE AND BEQUEATH** the entire residue of my estate to the Roman Catholic Archdiocese of Indianapolis, Inc. for the use and benefit of (parish) or (town, state) for religious and charitable purposes.”

### **RESIDUE TO OTHER CATHOLIC ENTITY**

**“I DEVISE AND BEQUEATH** the entire residue of my estate to ENTER CATHOLIC ENTITY’S LEGAL NAME for its religious and charitable purposes.”

### **SPLIT RESIDUE CLAUSES**

**“I DEVISE AND BEQUEATH** the entire residue of my estate as follows:

- (1) \_\_\_\_\_percent thereof to the Roman Catholic Archdiocese of Indianapolis, Inc. for its religious and charitable purposes and,
- (2) \_\_\_\_\_ percent thereof to the following members of my family \_\_\_\_\_.”

### **Suggested Language of Stipends and for Masses in Wills**

There are a number of suitable ways to provide bequests for Masses in wills in Indiana. A bequest may be made to a particular priest, a particular parish or the pastor of a particular parish. The bequest may specify the particular person or persons for whom the Masses are to be offered or the bequest may be expressed in general terms. If no particular person is specified in the bequest, the Masses will be offered for the testator.

It is anticipated that bequests for Masses will be in modest amounts. A bequest for Masses to a particular priest (as in Example E. below) in an amount exceeding \$100 will possibly incur an Indiana inheritance tax at the rate of 10 percent, depending on how the county assessor in the particular county interprets the Indiana inheritance tax law. Bequests for Masses in reasonable amounts generally are considered to be exempt under the federal estate tax.

The following are acceptable examples of bequests for Masses:

- A. **I BEQUEATH** \$100 to PARISH NAME, for Masses

- B. **I BEQUEATH** \$100 to PARISH NAME, for Masses for the repose of my soul.
- A. **I BEQUEATH** \$100 to PARISH NAME, Masses for my parents, John and Mary Smith.
- B. **I BEQUEATH** \$100 to the pastor of PARISH NAME, for Masses for repose of the souls of my parents, John and Mary Smith.
- E. **I BEQUEATH** \$100 to the ENTER PASTOR'S NAME for Masses.