



The Washington  
**ANIMAL  
RESCUE  
LEAGUE**

Rescue • Rehab • Rehome

## Major and Planned Gifts Fact Sheets

### Major and Planned Gifts Overview

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[warl.org/PlannedGiving](http://warl.org/PlannedGiving)

## Retained Life Estate Gifts

A retained life estate is a gift plan that allows you to donate a personal residence (including a vacation home) or a farm to a charity while retaining the right to live there for a particular period of time. You thereby receive a large income tax deduction and simplify the administration of your estate upon death.

As the creator of a retained life estate, you would irrevocably deed to the Washington Animal Rescue League the residence or farm, but in the deed you would specify that you can use the property for the rest of your life, a term of years, or a combination of the two. While you retain the right to live on your property, you continue to be responsible for all routine expenses—maintenance fees, insurance, property taxes, repairs, etc.

If you later decide to vacate your property, you may rent all or part of it to someone else or sell the property in cooperation with the Washington Animal Rescue League. You can even donate to the League the rest of your lifetime right to live on the property, thereby qualifying for an additional income tax deduction.

It is also possible to create a retained life estate for someone else—a spouse or a sibling, for example. You can do this during your lifetime or upon death through your will. In addition, a retained life estate gift can be paired with another gift arrangement, such as a charitable gift annuity. Regardless of how you decide to proceed, when the retained life estate ends, we can then use your property or the proceeds from the sale of your property for the purpose you designate.

Although subject to approval by the Washington Animal Rescue League, a retained life estate donation represents a generous lifetime gift that can be appropriate for people in various circumstances. It is generally most appealing, however, to those age 65 or older who know they would eventually like the property in question to benefit the Washington Animal Rescue League.

### Example

Vivian, age 74, bought her house for \$60,000 several decades ago and has since paid off the mortgage. It is now worth \$500,000, and an appraisal indicates that \$140,000 of this is attributable to the land on which the house sits, with the house itself having a useful life of 45 years and a salvage value of \$18,000 at the end of that period. Even though she has thought of simply leaving the house to the Washington Animal Rescue League through her will, she decides instead to deed it to the League now and retain the right to live there for the rest of her life. In so doing, she secures the following benefits:

1. She will qualify for a federal income tax deduction of approximately \$309,000. Because deductions for this and other gifts of long-term appreciated property are limited to 30 percent of a donor's adjusted gross income, Vivian will likely be able to claim only a portion of the deduction this year. Nevertheless, any unused deduction can be carried forward into the following year as many as five times, subject each year to the same 30-percent limitation.
2. Vivian does not recognize any capital gains, and an asset potentially subject to estate tax is removed from her estate—and is therefore no longer subject to eventual probate. Probate is the sometimes cumbersome, lengthy, and expensive legal process of settling the estate of a deceased person.
3. She will have the peace of mind of knowing she can continue to live in a place she has come to regard as "home" for as long as she lives. If she ever wants or needs to move out, a number of options are available to her.

NOTE: This example is based on the rates effective in July 2010.

### Join Our Legacy Society with Your Planned Gift

If you designate the Washington Animal Rescue League as a beneficiary of a retained life estate, you become a member of our legacy group: the 1914 Society. The League was founded in 1914—imagine that, almost a century of caring for animals in need! Our hope is that you will let us know about your planned gift so we can thank and recognize you.

You will receive these privileges of membership in the 1914 Society:

- Washington Animal Rescue League's annual report,
- Updates on League news through our *Animal Report* newsletter,
- Invitations to special events, including our annual 1914 Society reception, and
- Recognition of your planned gift in the League's publications (unless you prefer to remain anonymous).

### Special Considerations

Please contact us about restricting your gift to the specific League program(s) of your choice.

Unrestricted contributions are preferred; however, we also welcome a conversation if funding a specific program is critical to you. We have many projects – both short-term and ongoing – at the Washington Animal Rescue League for which we seek support. We can tell you about all the available options today – and tomorrow, when a new generation of animals in need look to us for aid.

Gifts to the League may be made in memory of any deceased person(s) or pet(s) or in honor of any living person(s) or pet(s).

## Other Types of Planned Gifts that May Interest and Benefit You

If you are considering a retained life estate to benefit the Washington Animal Rescue League, be aware that other gift types—such as an outright donation of securities or real estate, a charitable gift annuity, or a charitable remainder trust—may be suitable or preferable, taking into account your goals and needs.

A charitable gift annuity, for example, can be set up for you and/or someone else while you are alive. Or you can arrange through your will or through some other element of your estate plan to establish a testamentary charitable gift annuity that will result in lifetime payments being made to one or two beneficiaries of your choice.

Of course, arranging a gift for the Washington Animal Rescue League through a will or through some other element of an estate plan – e.g., including our organization as a beneficiary of a financial, retirement, or insurance asset – is also an act of considerable generosity that many people can afford even if a large lifetime gift is not realistic.

Our development staff can help you plan the right gift in light of your assets, income, family, and other estate or financial obligations. You may be able to be a greater philanthropist than you realize. Would you consider making the gift of a lifetime to the Washington Animal Rescue League if we can show you how?

## We Invite You to Contact Us

The Washington Animal Rescue League neither requests nor accepts government funding. We are a 501(c)(3) charity and our programs and endowment depend on your support. Our tax identification number is 53-0162440.

Direct your confidential inquiries and notifications about legacy gifts for the benefit of the Washington Animal Rescue League to:

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Washington Animal Rescue League  
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*Information also available at [warl.org/plannedgiving](http://warl.org/plannedgiving).*

**This information provided by the Washington Animal Rescue League is not financial, tax or legal advice.  
You should consult your advisors before making your charitable giving decisions.**