

BE PREPARED

BOY SCOUTS OF AMERICA



FIND THE RIGHT TOOL

Have you ever noticed how many types of hammers there are? They are available in a dizzying variety, differing in size, weight, length, and materials, each one appropriate for the intended job. Craftsmen know that any job is easier when they use the right tool.

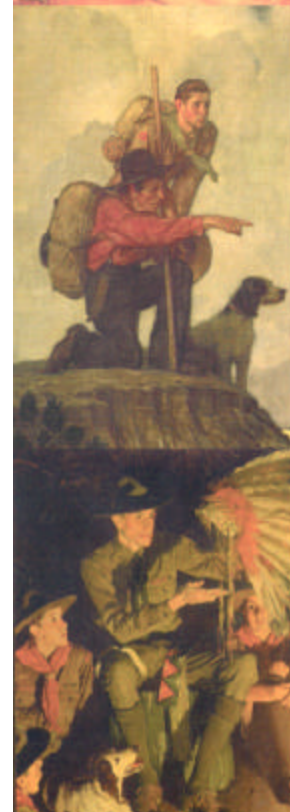
Sophisticated techniques for making a charitable gift are becoming popular and common as more and more people learn about the benefits they can create for themselves and Scouting. It's important as one investigates making a gift, that the details of each option not be overlooked.

The chart inside provides a starting point in understanding the basic features of several popular planned charitable gift arrangements. While it is impossible to list and describe all the options you might consider, we hope this information will point you in the right direction, helping you identify some options that you'd like to investigate further. More detailed information is available online at www.bsagiftplan.org, and from Scouting's staff of experts. With these resources, you and your attorney or financial advisor will be able to find the right tool for the charitable work you want to do.



INSIDE

*Charitable
Giving Tools
Compared*





	DONOR'S INCOME TAX DEDUCTION	INCOME BENEFICIARY	INCOME PAYMENT
BSA CHARITABLE GIFT ANNUITY	Difference between the fair market value of the initial gift amount and the actuarial value of the non-charitable income obligation.	One or two individuals named in the agreement.	Based on actuarial tables. Rates increase with age.
BSA POOLED INCOME FUND			Pro-rata share of pooled fund's income. Paid quarterly.
CHARITABLE REMAINDER ANNUITY TRUST	Present value of charitable remainder calculated with government mortality tables and earnings assumptions.	Donor and/or others named in the trust agreement.	At least five percent of initial fair market value. Paid at least annually.
CHARITABLE REMAINDER UNITRUST			At least five percent of net fair market value, revalued annually and paid at least annually.
WILL/ BEQUEST	No income tax deduction; no completed charitable gift.	No transfer occurs until death, so donor retains ownership and rights to all income.	Donor, during life.
LIFE ESTATE AGREEMENT	Value of Scouting's remainder interest, adjusted for depreciation and depletion.	Donor.	Usually no income under this arrangement.
CHARITABLE LEAD TRUST	Generally no income tax deduction. Possible gift or estate tax charitable deduction.	Scouting or other qualified charity.	Amount established by trust agreement.

TAXATION OF INCOME PAYMENTS	CHARITABLE DISPOSITION	BENEFITS TO DONOR	BENEFITS TO SCOUTING
Partially tax-free; remainder is ordinary income or capital gains.	At the end of the income beneficiaries' lives, Scouting receives the remainder of the gifted property.	<ul style="list-style-type: none"> • Initial income tax deduction • Income stream (partially tax-free) • Gains tax deferral 	Scouting receives the property at the end of the trust, or the death of individuals who have prior interests, such as testators, annuitants, pooled-fund beneficiaries, or life estate holders.
Ordinary income.		<ul style="list-style-type: none"> • Initial income tax deduction • Income stream • Gains tax avoidance 	
<p>Payments are taxed according to the character of the funds that make up the payment:</p> <ul style="list-style-type: none"> • Ordinary income • Capital gains • Other income (tax-free proceeds) • Tax-free distribution of principal 	Property remaining in the trust at the end of the non-charitable term goes to Scouting or other qualified charity.	<ul style="list-style-type: none"> • Initial income tax deduction • Income stream • Gains tax deferral • Possible federal estate tax savings 	
Income taxed to the donor.	After death, property passing by will is distributed according to the will's terms.	<ul style="list-style-type: none"> • Lifetime property ownership • Flexibility • Estate tax savings 	
Income taxed to the donor.	At the death of the life-estate owner, Scouting becomes the owner of the property.	<ul style="list-style-type: none"> • Initial income tax deduction • Retains right to live in home for life 	
Donor reports trust income unless trust holds only tax-exempt securities. Donor deducts value of payments to charity.	As directed in the trust agreement.	<ul style="list-style-type: none"> • Estate/gift tax savings • Assets eventually returned to donor or designee 	Scouting receives income during the term of the trust. Could be beneficiary at death.





SCOUTING NEEDS YOUR SUPPORT

Scouting began in the United States in 1910, as unaffiliated patrols and troops sprouted everywhere. Over time, Scouting became more organized, and more camping and activity resources were provided. Since its beginning, over 100 million boys have been Scouts.

Today, in every council, thousands of boys contribute countless hours of community service while developing their character, fitness, and citizenship. And perhaps most importantly, they are having a lot of fun doing it. With your help, Scouting will continue to provide its unique brand of fun and learning to children for years to come.

FOR MORE INFORMATION

Thank you for your interest and continuing support of Scouting. We would be pleased to visit with you or your advisors about various ways to benefit you and Scouting through charitable giving. If you'd prefer exploring gift options on your own, you'll find some great resources on the internet at www.bsagiftplan.org.

You may also want more information about what Scouting and the council are doing for our youth and community. Feel free to contact us.



Neither the author nor this organization is engaged in rendering legal or tax advice. Rather, this publication is intended to provide only information of a general character. Both state and federal laws may apply in certain situations, and may change periodically. For advice in specific cases, the services of an attorney or other professional advisor should be obtained.