



# What will your Legacy be?



## Ensure your charitable intentions are carried out

If you've decided to leave a bequest to a charity on your death, there are some things you should do to ensure that the cause you have chosen enjoys the maximum benefit from your gift.

First, you need to make a Will. Consult an experienced lawyer to properly draft your Will and ensure the charity is named correctly. At that time, your lawyer or a tax advisor can explain to you the tax consequences and benefits that may arise from a charitable gift to ensure the value of your gift is maximized. They can also discuss with you the various options for leaving a gift to a charity – an “in kind” gift of specific property, a specified sum of money, or a percentage of your overall estate.

When making the decision to leave a gift to charity in your Will, you should also contact the charity to learn more about what they need and what your gift would do. Well-meaning donors may not be aware of how restrictions they put on a gift in their Will may impact the charity, so a frank discussion with the charity will ensure your gift is well structured and put to good use.

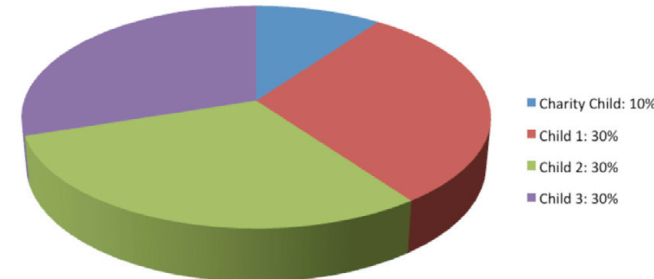
Also, having this information will impact how your Will needs to be worded.

Discuss your wishes with your family so they are aware of your gift. If possible, involve them in discussions with the charity and invite them to donor recognition events. This can help to build a sense of shared family pride in the gift and help them to appreciate your reasons for making the gift.

After making your Will, review it regularly to confirm that your estate planning objectives are still being carried out. You may need to change your Will if your circumstances or priorities change.

Taking these steps will give you the confidence to know that your charitable intentions will be carried out.

*Ms. Raman Johal  
Associate, Clark Wilson LLP*



JULIE AND PETER HAVE THREE CHILDREN AND TO OFFSET TAXES WILL MAKE GIFTS TO THEIR FAVOURITE CHARITIES AND STILL LEAVE THE BULK OF THEIR ESTATE TO THEIR CHILDREN.



## The “Charity Child” concept – save money – and lives!

When thinking about preparing a will, most individuals divide their estate among their family and friends. But what people may not consider are the possible tax consequences of this decision.

Ask yourself: “If you had to choose to give a portion of your estate to the government in tax, or to a charity, which one would you prefer?” Including a “charity child” in your will planning is a way to give to your favourite charity while benefiting from the tax receipt from the charitable beneficiaries that can offset a substantial estate tax bill.

For example, through careful estate planning, a family with three children divides their estate into four, leaving the last quarter to the charity of their choice. By placing a charitable bequest in one's will, the estate will benefit and receive a charitable tax receipt for the gift. This will help offset the tax payable. The children will still receive their portion, plus they will be able to celebrate their parent's legacy of making a difference in the community by giving to charity.

Estate planning is an evolving process. While you are young and your children are dependent, you probably won't think about including an outright gift to charity in your will. You may think about adding a contingent bequest to charity. That is—if everyone in the family were to perish, the charity would receive the por-

tion—that was designated for family members. As you get older, and the needs of your maturing loved ones change, the prospect of leaving a legacy such as a “charity child” may help you plan for the tax consequences of your estate and leave a lasting impression on your children and your community.

When you are young, your financial circumstances often restrict you from giving generously in your lifetime. Including a charity in your estate planning as a “charity child” is a way to make a significant gift to an organization and advance their charitable work in your community.

Charities are grateful for all bequest gifts they receive. Many charities have a staff person who specializes in gift planning and can provide assistance to lawyers and individuals on how they can include the charity in their will planning. Charities want to ensure their supporters that the funds received through bequests are invested and distributed according to their wishes.

Remember: every gift makes an impact!

*Jane Westheuser on behalf of the Heart and Stroke Foundation*

## DID YOU KNOW

Leaving a gift to charity in your will may reduce the estate tax burden on your heirs significantly.