

## Charitable Giving Made Easy

By James Schuett

Many of us would like to provide for a favorite charity at our death. Perhaps it's a charity that has benefited a family member directly, or it may be an organization we have worked with in the past on care-giving or fund-raising.

The dilemma comes when we realize that merely leaving assets to the charity at our death will deprive our loved ones of those same assets, and most of us either don't have "extra" assets to give, or would love to learn of a way to leave a substantial sum of money to the charity and provide for our loved ones.

Fortunately, there is a way to accomplish both goals. Rather than leaving assets to the charity at our deaths, we can create a pool of funds payable at our deaths on a discounted cost basis using life insurance. Life Insurance premiums represent cents-on-the-dollar when compared to the death benefit the charity receives when we die.

For this purpose, a survivorship life insurance policy that pays proceeds only upon the second death of two insured individuals (a husband and wife, for example) provides a more cost-effective solution. Since the death proceeds will be paid only upon the second death, the premiums for this type of policy are significantly lower than a policy that insures only one life.

And if we make the charity the policy's owner, we can even get a current income tax deduction for the premiums we pay on the policy for the charity's benefit. (See your tax adviser for possible limitations on deductibility of premiums.)

For any desired level of giving to charity, a survivorship life policy often proves the lowest-cost method of providing those dollars. Conversely, for any given annual premium contribution level, a survivorship life policy typically provides the highest death benefit to the charity. The death benefit guarantee in the policy helps assure that the proceeds will be available to the charity regardless of future changes in the financial markets.

So, the end result is that at your death your assets pass to your family, and your favorite charity receives the death benefit proceeds from a cost-effective life insurance policy. Be remembered for the good work you've done. Leave a significant endowment to your favorite charity on a deeply discounted basis with survivorship life insurance.

*James Schuett is an SMS and a licensed agent with the Jefferson Pilot Financial family of companies. He co-owns Illiana Insurance located at 113 W. Washington St. P.O. Box 409 Philo, IL 61864; 217-684-2277.*