



Your Guide to Gift Planning

SEATTLE PACIFIC UNIVERSITY

Our city,
our campus



Planned gifts to Seattle Pacific University offer creative and flexible strategies that enable you to support students and important programs. At the same time, you will also be pursuing your own charitable and financial goals.

The first half of this illustrated brochure describes the types of personal assets that SPU can accept. The second half describes vehicles through which those assets can be given. What works for you depends on such factors as when you want the gift to take effect, your desired level of control or involvement, whether family or other beneficiaries will be involved, and tax implications.

Contact the Office of Endowments and Gift Planning to ensure that your gift meets both your charitable goals and the needs of the University.

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WAYS TO GIVE

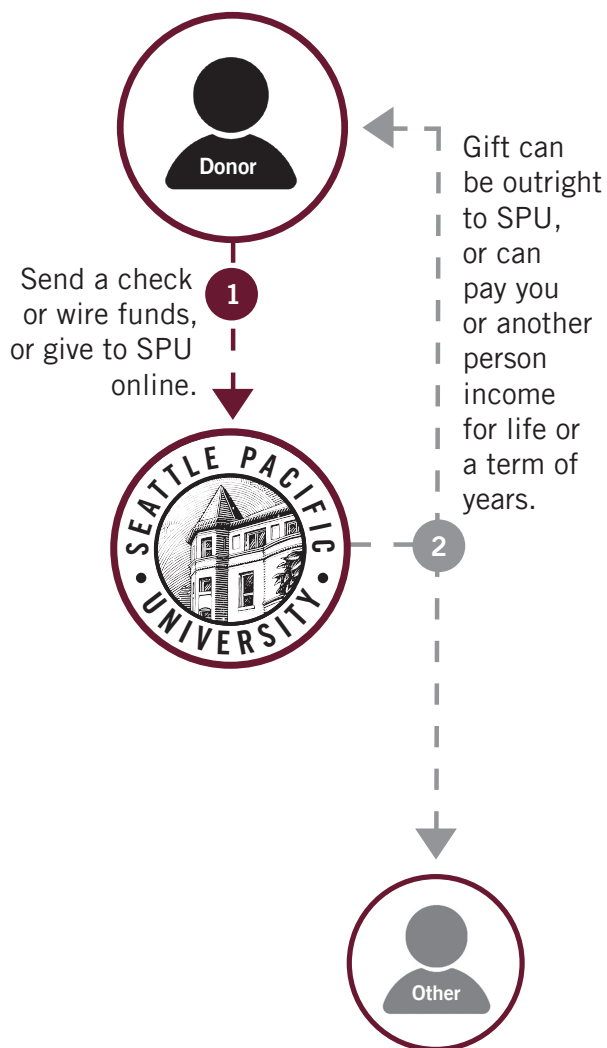
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CASH

How it works



Cash



How you benefit



Income Tax Deduction



Flexibility



Income*

- Cash is the simplest, quickest asset to use in making a gift.
- Income tax charitable deduction is for the full amount of the gift and can be used to offset a larger percentage of your income than a gift of real estate or securities.
- Any portion of the deduction not used in the year of the gift can be carried forward for an additional five years.

How to give

- Outright
- Charitable Gift Annuity
- Charitable Remainder Trust
- Deferred Charitable Gift Annuity
- Donor Advised Fund
- Will/Living Trust

**If you fund a life-income gift (e.g., Charitable Gift Annuity or Charitable Remainder Trust)*

DONOR ADVISED FUND BENEFICIARY DESIGNATION

How it works



Donor Advised
Fund



1

Name SPU as a beneficiary of your Donor Advised Fund during your lifetime for any future remainder.



Donor
Advised
Fund

2

At your passing, all or part of the remaining assets pass to SPU to support programs you designate.



How you benefit



Flexibility

- You control your Seattle Pacific legacy by designating which campus programs will be supported by the remaining assets in your fund.
- You can continue to make fund distribution recommendations from your Donor Advised Fund during your lifetime.
- You can change your beneficiary designation at any time.

How to give

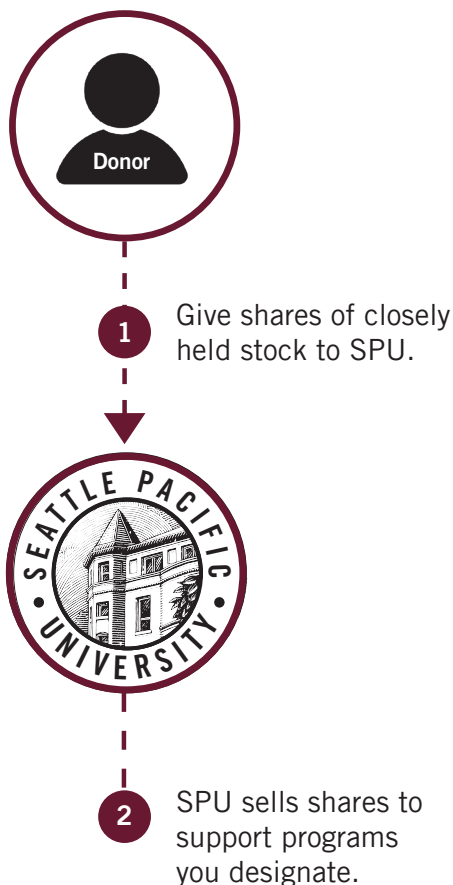
- Outright
- Beneficiary Designation

PRIVATELY HELD SECURITIES

How it works



Stocks



How you benefit



Income Tax Deduction



Capital Gains Tax Benefit*



Income**

- You receive an income tax charitable deduction for the appraised value of the shares, even if you obtained the shares at low or no cost, provided you have owned the stock for more than one year.
- You avoid capital gains tax on the appreciation in value.
- You may be able to use closely held stock to fund a life-income gift, such as a Charitable Remainder Trust.
- You join other entrepreneurs planning for their continuing legacy with a donation of closely held stock.

How to give

- Outright
- Charitable Remainder Trust
- Donor Advised Fund

**For appreciated assets held more than one year*

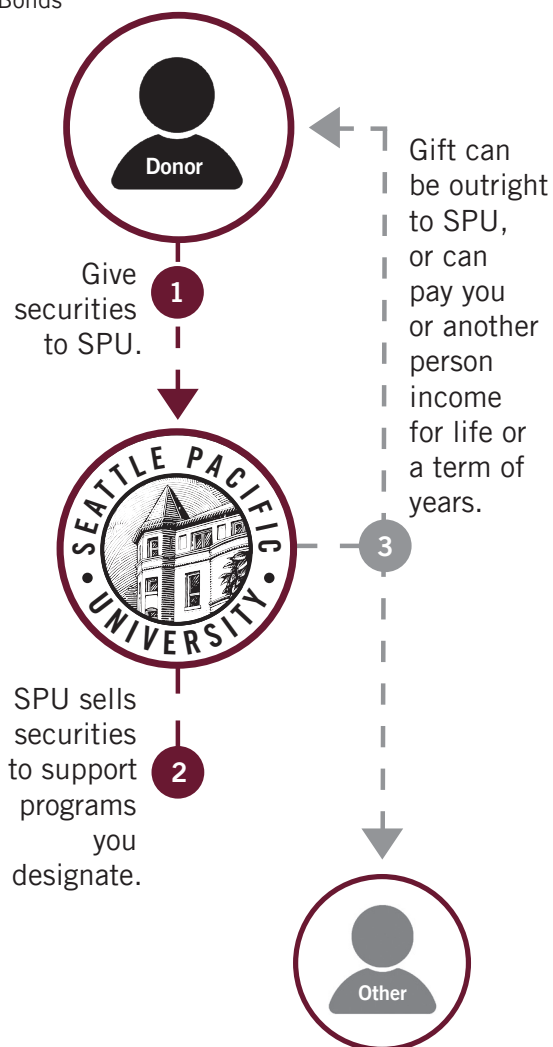
***If you fund a life-income gift (e.g., Charitable Gift Annuity or Charitable Remainder Trust)*

PUBLICLY TRADED SECURITIES

How it works



Stocks and/or
Bonds



How you benefit



Income Tax
Deduction



Capital
Gains Tax
Benefit*



Flexibility



Income**

- You receive an income tax charitable deduction based on full fair-market value of securities, provided you have owned the stock for more than one year.
- You avoid capital gains tax on the appreciation in value.
- You may be able to use publicly traded securities to fund a life-income gift, such as a Charitable Remainder Trust.

How to give

- Outright
- Charitable Gift Annuity
- Charitable Remainder Trust
- Deferred Charitable Gift Annuity
- Donor Advised Fund
- Will/Living Trust

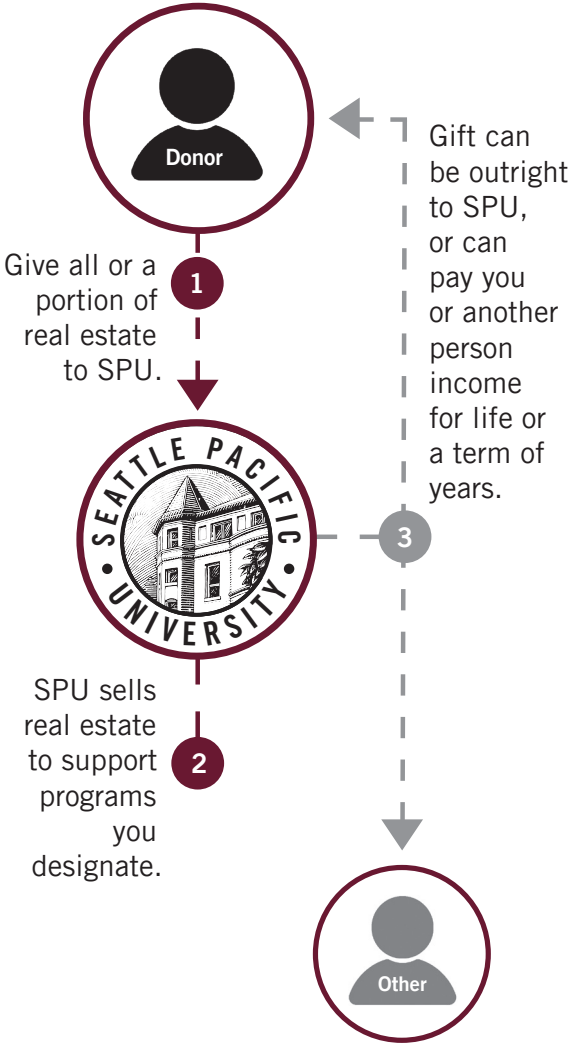
**For appreciated assets held more than one year*

***If you fund a life-income gift (e.g., Charitable Gift Annuity or Charitable Remainder Trust)*

How it works



Real Estate



How you benefit



Income Tax Deduction



Capital Gains Tax Benefit



Income*

- Income tax charitable deduction will equal full fair-market value of the property, not the price you paid to purchase the property.
- No capital gains tax at time of transfer.
- Possible to give a partial interest.
- You may be able to use real estate to fund a life-income gift, such as a Charitable Remainder Trust.

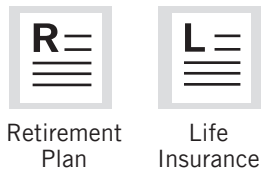
How to give

- Outright
- Charitable Remainder Trust
- Donor Advised Fund
- Will/Living Trust

**If you fund a life-income gift (e.g., Charitable Remainder Trust)*

RETIREMENT PLANS & LIFE INSURANCE

How it works



1

Name Seattle Pacific as a beneficiary of your IRA, 401(k), 403(b), other retirement plan, or life insurance policy.

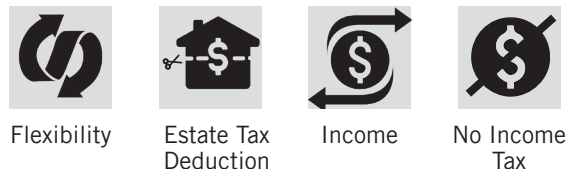
IRA,
401(k),
403(b),
other plan,
life
insurance
policy

2

All or part of the remaining plan assets transfer to SPU tax-free at your passing to support programs you designate.



How you benefit



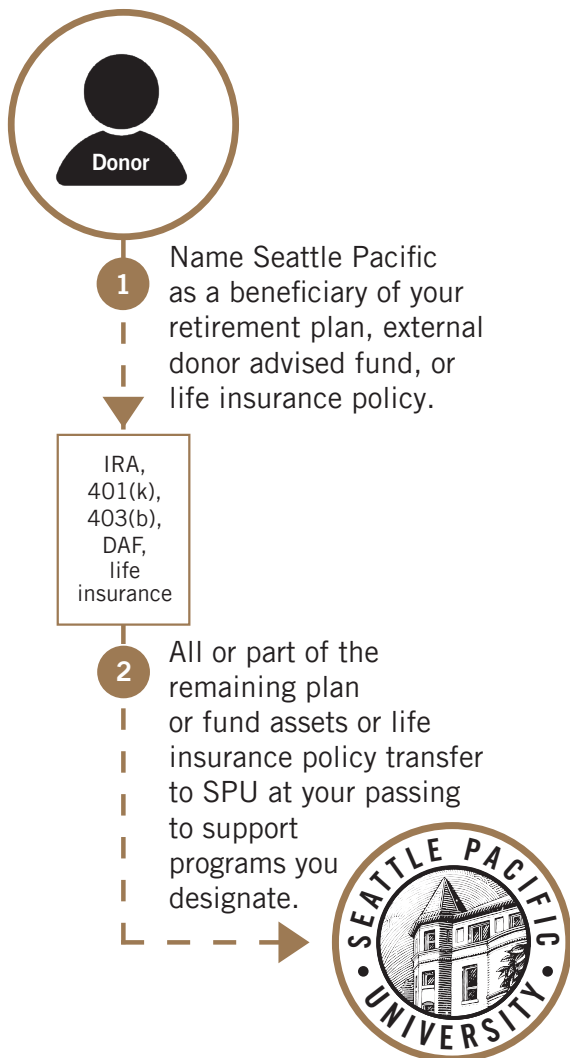
- You can continue to take distributions from your retirement accounts during your lifetime.
- You create a tax-efficient estate plan by leaving other assets to loved ones, which — unlike retirement plans — are not subject to both income and estate tax (if applicable).
- You can change your beneficiary designation at any time.
- It is possible, with a remainder beneficiary, to pay a loved one income for life or a term of years, while also providing a gift to Seattle Pacific.

How to give

- Beneficiary Designation

BENEFICIARY DESIGNATIONS

How it works



How you benefit



Retirement Plan (e.g., 401(k), 403(b), IRA)

- You can continue to take distributions from your retirement accounts during your lifetime.
- You can create a tax-efficient estate plan by leaving other assets to loved ones, which — unlike retirement plans — are not subject to both income and estate tax (if applicable).
- You can change your beneficiary designation at any time.

Donor Advised Fund

- You continue to make grant recommendations from your external donor advised fund.
- You can change your beneficiary designation at any time.

Life Insurance

- You can avoid estate taxes on your policy by naming SPU as the beneficiary.
- You can change your beneficiary designation at any time.

CHARITABLE GIFT ANNUITY

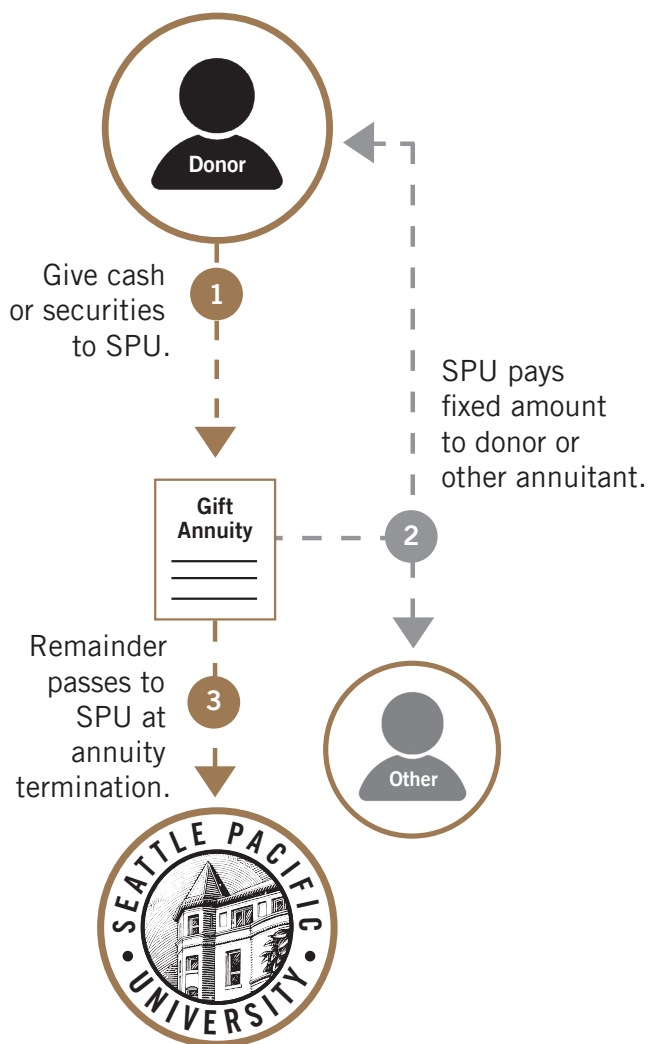
How it works



Cash



Stocks and/or
Bonds



How you benefit



Income



Income Tax
Deduction



Capital
Gains Tax
Benefit*



Flexibility

- You or another annuitant receive fixed income for life.
- You receive an income tax charitable deduction at time of gift.
- You pay no capital gains tax at time of gift of appreciated assets held more than one year.
- You receive favorable tax treatment for a portion of annuity payments.
- You diversify your assets.

**For appreciated assets such as stocks/bonds held more than one year*

DEFERRED CHARITABLE GIFT ANNUITY

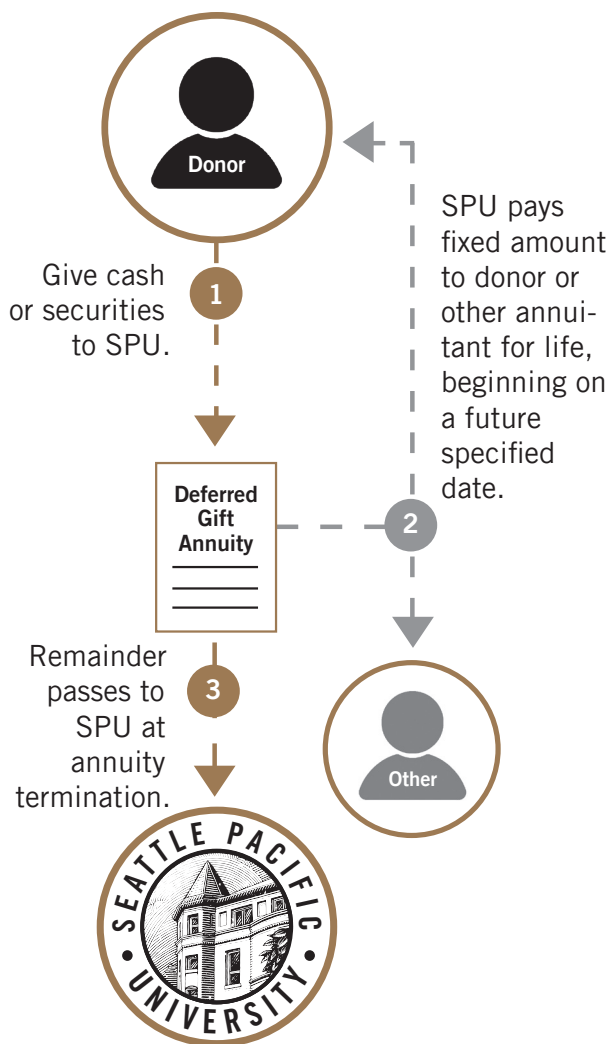
How it works



Cash



Stocks and/or
Bonds



How you benefit



Income



Income Tax
Deduction



Capital
Gains Tax
Benefit*



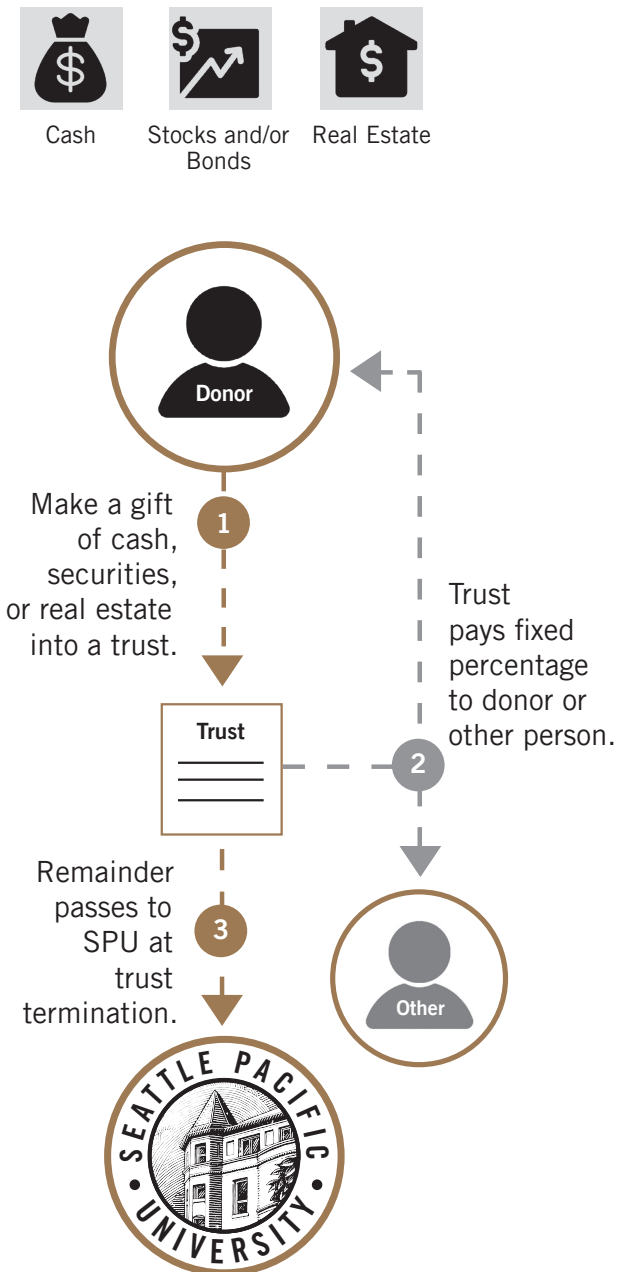
Flexibility

- You receive the same benefits as those of a charitable gift annuity (see page 18).
- Your payout rate is higher and income tax charitable deduction is larger than immediate payment gift annuity.
- Your future start date can coincide with important life events, such as a retirement or a grandchild's college years.

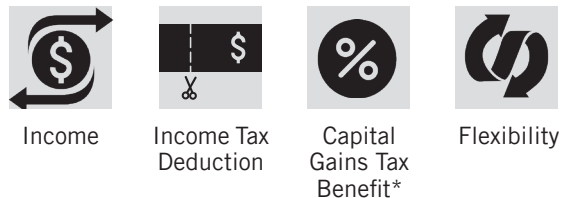
**For appreciated assets such as stocks/bonds held more than one year*

CHARITABLE REMAINDER TRUST

How it works



How you benefit

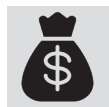


- You or others receive income stream from invested trust assets.
- You receive an income tax charitable deduction at time of gift.
- You pay no capital gains tax at time of gift of appreciated assets held more than one year.
- You can make additional gifts to the trust over time.

**For appreciated assets such as stocks/bonds and real estate held more than one year*

DONOR ADVISED FUND

How it works



Cash



Stocks and/or Bonds

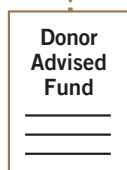


Real Estate



1

Give cash, securities, or real estate to a community foundation or financial institution to create a donor advised fund.



2

Recommend annual distributions to support SPU programs as well as other charitable organizations.



How you benefit



Income Tax Deduction



Capital Gains Tax Benefit*



Flexibility

- You streamline your gift planning by using the fund as the primary source of your charitable giving.
- You get an immediate income tax charitable deduction based on full fair-market value of the assets and avoid capital gains tax on appreciated assets held more than one year.
- You maximize your tax benefits by making gifts to your fund at any time without having to recommend distributions until later.
- Your fund assets grow tax-free and are professionally managed and invested.
- Your fund custodian administers the fund, makes distributions in the fund's name, and provides all necessary tax-reporting information to you.
- You can add to the fund at any time.

**For appreciated assets such as stocks/bonds and real estate held more than one year*

ENDOWMENT FUND

How it works



Cash



Stocks and/or
Bonds



Real Estate



1

Give cash, securities,
or real estate to SPU
to create the fund.*

**Contact our office for
minimum required gift
amounts.*



2

Identify scholarship
or program support
purpose of fund.



How you benefit



Income Tax
Deduction



Capital
Gains Tax
Benefit*



Flexibility

- Your fund can establish a permanent legacy of support at SPU.
- You get an immediate income tax charitable deduction based on full fair-market value of the assets and avoid capital gains tax on appreciated assets held more than one year.
- Scholarship recipients will send you thank-you notes for your generosity.
- You will receive annual reports on your fund's performance and distributions.
- The Seattle Pacific Foundation administers the fund and makes annual distributions in support of the fund's purpose.
- You can add to your endowment at any time during your lifetime or through your will.

**For appreciated assets such as stocks/bonds
and real estate held more than one year*

IRA CHARITABLE ROLLOVER

How it works



IRA Account



1

Instruct IRA custodian to distribute assets directly to SPU.



2

IRA distribution to SPU is tax-free.



How you benefit



Flexibility



No Income Tax

- Your distribution is tax-free.
- You can satisfy all or part of your annual required minimum distribution.
- You can satisfy outstanding pledges with an IRA distribution.

Tax code requirements

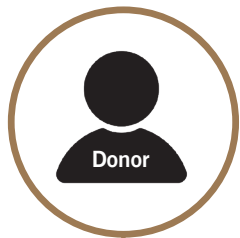
- You must be 70.5 years of age at time of distribution.
- Distribution cannot exceed \$100,000 per year per individual.
- Distribution must come directly from IRA custodian.
- You cannot receive any goods or services in return for the gift.

RETAINED LIFE ESTATE

How it works



Real Estate



1

Give all or a portion of a personal residence to SPU (including farms, ranches, vacation houses, etc.), subject to a right to reside in it for life.



2

Live in the property, maintaining it, and paying expenses.

3

When life estate ends, SPU sells property to support programs you designate.



How you benefit



Income Tax Deduction

- You continue enjoying the property for life.
- You get an immediate income tax charitable deduction based on the fair-market value of property, less the value of the life estate.
- You can terminate the life estate early and receive a second tax deduction.
- Your property is no longer part of your taxable estate and passes to SPU immediately on termination of the life estate.

WILL/LIVING TRUST

How it works



Cash



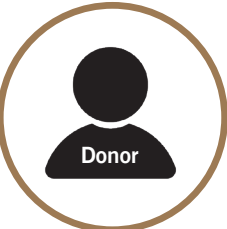
Stocks and/or Bonds



Real Estate



Tangible Property



1 Include Seattle Pacific in your will or trust.



2 SPU receives gift at your passing.



3

Your legacy lives on at SPU.

How you benefit



Estate Tax Deduction*



Flexibility

- Assets remain in your control during lifetime.
- Can be modified if necessary.
- You designate the gift's purpose.

**While many people may not be subject to estate tax at the federal level, they may be at the state level. Consult your tax advisor for more information.*



HELP SUPPORT SPU'S MISSION

Thank you for considering a gift to Seattle Pacific University. We invite you to contact the Office of Endowments and Gift Planning for more information if you have questions. Our experienced team can offer hands-on guidance in exploring the many creative, flexible giving options available to you.

For additional information on ways to support SPU through personal property gifts, a charitable bargain sale, charitable lead trust, and more, please visit **legacy.spu.edu**.

Please also let us know if you have already included a gift to SPU in your estate plan. We can review your gift language to ensure the University can implement your philanthropic intentions. We will honor your enduring commitment and future gift by including you as a member of the Wellspring Society, Seattle Pacific's community of planned gift donors.

CONTACT INFORMATION

Office of Endowments and Gift Planning
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3307 Third Avenue West, Suite 304
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LEGAL NAME/TAX ID

All charitable gifts should be directed to Seattle Pacific University, Seattle, Washington. SPU's tax ID number is 91-0565553.



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