

Charitable Estate Planning

This playbook outlines the steps necessary for incorporating charitable giving into an individual's estate planning. It includes how to set up charitable trusts and donor-advised funds to effectively manage philanthropic goals.

Step 1: **Assessment**

Evaluate your philanthropic goals and decide how you would like your assets to be distributed to charity as part of your estate plan.

Step 2: **Consultation**

Consult with estate planning attorneys or financial advisors to get professional advice tailored to your estate size, tax situation, and charitable intentions.

Step 3: **Selection**

Choose the type of charitable giving vehicle that aligns with your goals, such as a charitable trust or a donor-advised fund.

Step 4: **Setup Trust**

If a charitable trust is chosen, work with your attorney to establish a Charitable Remainder Trust (CRT) or a Charitable Lead Trust (CLT), depending on whether you wish to retain income interest or donate it.

Step 5: **Establish Fund**

If a donor-advised fund is chosen, identify a sponsoring organization and work with them to set up the fund. Make initial contributions and set guidelines for grant distribution.

Step 6: **Record Keeping**

Keep detailed records of all the documents related to your charitable giving vehicles, such as trust agreements, donor-advised fund agreements, and tax filings.

Step 7: **Beneficiary Designation**

Update your will and other estate documents to include the charitable trust or donor-advised fund as a beneficiary, as per your planned giving strategy.

Step 8: **Ongoing Management**

Monitor and manage your charitable contributions regularly. Review your charitable vehicles and contributions annually to ensure they align with your current philanthropic goals.

General Notes

Tax Considerations

Be aware of potential tax implications related to charitable giving within your estate plan, including income, gift, and estate tax benefits.

Legal Compliance

Ensure your charitable giving complies with all state and federal laws, which may entail proper registration and adherence to specific regulations governing charitable entities.

Flexibility

Your charitable giving plans should maintain some flexibility to account for changes in your personal circumstances or tax laws that could affect your estate plan.

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