

WHEN MAKING A LEGACY GIFT, CHOOSING THE BEST ASSET TO GIVE MAY BE CRITICAL

Gifts to charity in a will — bequests — are vital to ensuring a better future for generations to come. For donors, they can fulfil a lifelong commitment to give back.

While bequests are often made selflessly, they should still be made strategically — to increase one's philanthropic impact and reduce eventual tax liabilities. This is achieved by identifying the optimal asset to donate to charity according to tax stipulations.

ASSET LOCATION: EVERYTHING IN ITS PLACE

The rule of thumb in financial planning applies equally to philanthropic planning. Non-taxable assets are better designated to heirs and taxable ones to a charity. Too often, we see the reverse. Consider Registered Retirement Savings Plans (RRSPs), illustrated in the following example.

A deceased individual leaves an RRSP valued at \$215,000 and \$215,000 in GIC/cash/life insurance. The RRSP is deemed to have been disposed by the individual immediately prior to their passing unless there is a rollover to spouse or children under 18. Exceptionally, one can donate up to 100 per cent of net income in the year of death and the preceding year.

- **Scenario A:** RRSP is left to heirs (other than spouse) and cash/GIC/life insurance is donated to charity
 - Heirs receive **\$97,288**
 - **Approximately \$117,712 in taxes**
 - **Charity receives \$215,000**
- **Scenario B:** RRSP is donated to charity and cash/GIC/life insurance left to heirs (other than spouse)
 - **Heirs receive \$215,000**
 - **Approximately \$0 tax!**
 - **Charity receives \$215,000**



Another pitfall we see is appreciated securities left to heirs (other than spouse) while a cash amount is left to charity. By leaving a desired amount in appreciated securities to charity instead, one's estate can benefit from a non-taxable capital gains opportunity.

CHOOSE TO WHOM YOU GIVE AND IN WHAT FORM

More than half of Canadians do not have a will. Many that do may be unknowingly allocating assets in a way that does not maximize potential savings. If assets generate tax, a repositioning could be in order.

For more information, please contact our planned giving officers.

WHY CONCORDIA?

Our unique environment for learning and research. Concordia's academic goals are grounded in an ethos of dynamism and social responsibility. This remarkable environment was created in 1974, after merging two proud Montreal traditions — the classic liberal arts education offered by Loyola College and the practical educational opportunities offered to wide audiences by Sir George Williams University.

Today, Concordia is an open and engaged university that encourages its 48,000 students to become active, critical and concerned citizens. Our approach has made us the top-ranking university under 50 in North America, as well as one of the world's 200 most international universities.

Our commitment to society. Concordia is leading the way to a new kind of university, one that makes higher education accessible. The university shares its ideas through free and open access to scientific findings and seeks ways to make social and economic justice more prevalent. We offer some 500 undergraduate and graduate programs, diplomas and certificates, while maintaining formal ties with more than 100 institutions in 33 countries.

Our strong academic leadership. Concordia is proud of its impressive roster of senior faculty, many established leaders in their fields, across the Faculty of Fine Arts, Faculty of Arts and Science, Faculty of Engineering and Computer Science, John Molson School of Business and School of Graduate Studies.

Our contributions and discoveries. Every year Concordia faculty and students are recognized for their accomplishments. Whether they are Rhodes Scholars, recipients of Governor General's and Prix du Québec awards or members of the Royal Society of Canada, Concordians are among the celebrated academics in our country. Our contributions and our discoveries change lives.

Our partnership in Quebec. Concordia's value to the Quebec economy is estimated at \$2 billion annually. And this doesn't account for the contributions of our more than 211,000 alumni, 112,000 of whom reside in the university's home province.



THE CAMPAIGN FOR CONCORDIA: NEXT-GEN. NOW.

Concordia is leading its most ambitious fundraising effort ever with a goal to raise \$250 million by 2022 (concordia.ca/campaign). The Campaign for Concordia will support nine strategic directions that reinforce our position as Canada's next-generation university (concordia.ca/directions). Backed by campaign co-chairs Andrew Molson and Lino Saputo Jr, BA 89, volunteer leaders across Canada, the United States and Asia are helping to spur our thinking. To prepare for what's next, we need you. Join the Campaign for Concordia as we change education for a changing world.

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