

## Our Mission

The mission of Nemaha Valley Community Hospital (NVCH) is to *“provide quality health care and other health related services in a compassionate manner sufficient to meet the primary health needs of its patrons within the scope of its resources and staff.”*

### Establishing a Legacy of Caring

You can play an important part in the achievement of this goal by making a planned or endowment gift during your lifetime or with a gift from your estate. It is a perfect way to establish a legacy, remember a loved one or dedicate an area, while enabling the Hospital to continue to meet the ongoing health care needs in our community for generations to come.

Making a planned gift can also:

- Generate a secure retirement income
- Increase your income
- Provide financial assistance for your loved ones
- Convert appreciated assets into an income stream for the future
- Reduce the burden of capital gains, income and estate taxes

### What is a Planned Gift?

A planned gift can be made through your will, a life insurance policy, retirement account, checking or saving accounts, charitable trusts and annuities, gifts of real estate, personal property, appreciated stock, mutual funds, oil, gas or mineral interests or

the donation of closely held business interests.

### Establishing Your Gift Strategies

Each planned gift can be tailored to address the type of charitable gift being made, the asset being donated, age of the beneficiaries, distribution requirements and tax implications.

### Making a Bequest in Your Will

Naming NVCH in your will is one of the easiest ways to make a lasting impact on future generations. You might consider including a provision in your will to earmark a specific dollar amount; a percentage of your estate; a portion of your residuary estate; or a gift that is contingent upon the passing of one of your heirs before you.

A donation in your will allows you to retain full control and ownership of your assets during your lifetime, but ensures that your assets will be distributed in accordance with your wishes.

### Beneficiary Designation

You can also name NVCH as one of the beneficiaries of either a life insurance policy, IRA, 401(k) plan or other retirement account. These retirement accounts are often exposed to high-rate income and estate taxes, many of which can be avoided or reduced through a carefully planned gift to NVCH. Like the bequest, you can change the beneficiaries at any time by filling out a beneficiary

designation form. You will be entitled to a charitable income tax deduction equal to the cash surrender value of the gift.

### Savings and Brokerage Accounts

By filling out a form at your bank, you can rename one of your bank, saving or stock accounts in such a way that whatever remains in the account at your passing will automatically be transferred to the Hospital. This, too, can be changed by you if circumstances change.

### Gift Plans that Pay You Income For Life

NVCH offers an easy and convenient way to establish a **Charitable Gift Annuity** that will provide you or someone you name with a fixed income for life. For a period of years part of that income will be tax free. The donor also enjoys an income tax charitable deduction in the year the gift is funded. The person receiving the payments (usually the donor) must be at least 55 years old when the gift annuity is created. The minimum gift amount is \$5,000 cash or publicly traded securities.

The annuitant has the option to defer receiving their annuity payments until some future date, provided that this decision is made at the time the contract is created.

A **Charitable Remainder Trust** is another type of life-income gift that pays the donor for life or a specified term of years not to exceed twenty years. After their passing or

when the trust terminates, the corpus are transferred to the Hospital.

There are two types of charitable remainder trusts – the charitable remainder annuity trust and the charitable remainder unitrust. Although the two are similar in many ways, they do have a few differences; the most significant is being the method by which the annual income is calculated. Another major difference is that annuity trust does not allow for additional contributions once funded, whereas unitrusts allow for additional contributions at any time.

A ***Charitable Remainder Annuity Trust (CRAT)*** pays a fixed dollar amount annually base on the initial fair market value transferred to the trust.

A ***Charitable Remainder Unitrust (CRUT)*** by contrast, provides fluctuation income payments based on a fixed percentage of the annually revalue trust. Market volatility will have a direct impact on the income payments for this type of trust. It may also be a potential hedge against inflation, since the income payments may rise over time.

Another benefit to both the CRAT and CRUT is that no capital gain should be recognized by you upon the donation of appreciated property to the trust. You can also diversify your holding within the trust without triggering capital gain taxes.

Most charitable remainder trusts have payouts ranging from 5 to 10 percent based on the number of income beneficiaries and their ages.

## **Gift of a Residence or Real Estate**

Making a donation of a residence or other real estate can be given outright, placed in trust, donated now while retaining the right to live in it for your lifetime, or through a bequest. This type of gift offers special tax benefits.

## **Endowment Funds**

Another type of planned gift is to earmark your donation to NVCH's Board Designated Endowment. All the gifts made to the permanent fund will be invested and only a certain percentage of the investment earning will be used each year, while the principal will continue to grow over time.

## **Charitable Lead Trusts**

If you have a sizable estate and your heirs are generally taken care of for the foreseeable future, yet you wish to provide them with a substantial inheritance after your passing, then a Charitable Lead Trust may be the right option for you. By transferring cash or appreciated assets during your life to a trust for a number of years (usually 10 to 20 years), the trust will provide annual income based on a fixed dollar amount or a fixed percentage of the value of the trust to the Hospital. You will receive a charitable tax deduction for the income distributed to the Hospital over the duration of the trust.

We stand ready to answer your questions and hope you will consider making a planned gift in support of the Nemaha Valley Healthcare Campaign.



**Nemaha Valley  
Community Hospital**

**Planned Giving  
Opportunities**

**1600 Community Drive  
Seneca, Kansas 66538  
(785) 336-6181**