PLANNED GIFTS

Life Insurance

Individuals Donate Life Insurance to:

- Have the ability to make a substantial gift for a relatively modest annual expense.
- Retain ownership of the policy or permanently assign the policy to Interfaith Ministries for Greater Houston (IM Houston).
- Make IM Houston the entire beneficiary, partial beneficiary or recipient of dividends.

Life insurance can be an excellent tool for charitable giving. Not only does life insurance allow you to make a substantial gift to charity at relatively little cost to you, but you may also benefit from tax rules that apply to gifts of life insurance.

How it Works:

- Name IM as beneficiary of a policy (revocable).
- Purchase a policy, give it to IM Houston and continue to make premium payments (irrevocable).
- During your lifetime, donate life insurance dividends to IM Houston.

More to Know:

- It provides a substantial gift (face value of the policy) to IM Houston and is simple to accomplish.
- There is no immediate tax deduction for naming IM as beneficiary, but you receive a charitable deduction from your estate upon death.
- There are income tax savings if the policy is donated to IM Houston, including a charitable deduction for policy premium payments and/or cash value.
- Asset/wealth replacement is possible through a more sophisticated use of life insurance.

Donating Life Insurance Policy:

1. Donor gives policy and receives deduction → IM Houston
2. IM receives cash value or proceeds at your death

Donating Dividends from Current Policy During Lifetime:

1. Donor gives dividends and receives tax deduction → IM Houston
2. Insurance company gives your dividends

For more information, contact mmagee@imgh.org **or 713-533-4924.**

The information contained herein is offered for general informational and educational purposes. You should seek the advice of a financial planner for applicability to your own situation.