

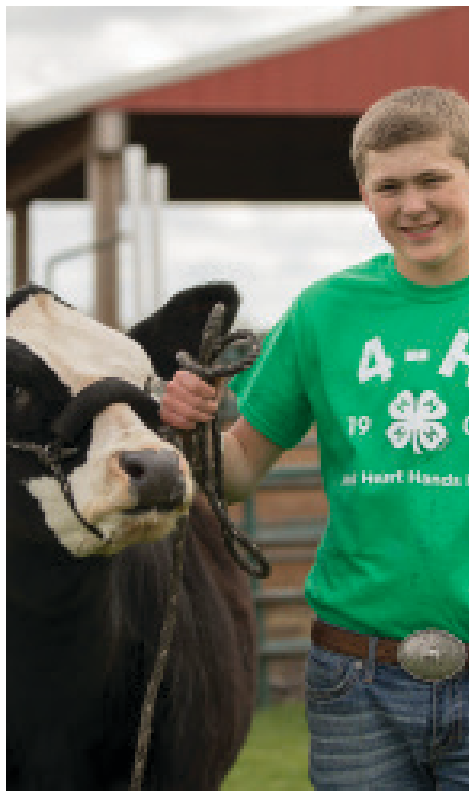



KANSAS 4-H
FOUNDATION

KANSAS 4-H

“4-H has made me the person I am today. It has instilled in me a passion for giving back and working for others. I’m truly grateful for the challenges and tribulations that I have encountered and how they have enabled me to grow. I cannot wait to see what the next generation of leaders can do for this organization.”

CHANA E, RILEY COUNTY





MAKING A DIFFERENCE

Outright gifts of cash or appreciated securities

When you donate cash or appreciated securities, it provides an immediate benefit to the Kansas 4-H Foundation and the maximum income tax deduction to you. Gifts of cash qualify for an income tax deduction equal to the full value of the gift.

Gifts of appreciated stock or mutual fund shares qualify for an income tax deduction equal to the current market value of the transferred assets. By transferring these assets directly to the Foundation, you also avoid paying capital gain tax. For most people, this double tax savings make a gift of appreciated securities a very cost-effective gift option.

Pledges of cash or appreciated securities

Gift commitments may be spread over several years. For example, a \$100,000 gift might be made with a pledge of \$50,000 per year for two years, or \$20,000 per year for five years.

Matching gifts

Corporations and businesses encourage philanthropy and enhance the impact of employee generosity with matching gift programs. Depending on individual company policy, gifts from employees, spouses, retirees and members of the company's board of directors could be increased from one to three times for each dollar contributed. To initiate a matching gift, complete your employer's matching gift form and send it along with your gift.

Outright gifts of real estate

Farmland or a home you no longer need can have a significant impact when donated to Kansas 4-H. Most real estate held for a length of time has appreciated in value, which offers great potential for charitable giving.

Gifts of appreciated real estate qualify for an income tax deduction equal to the current appraised value of the property. By transferring real estate directly to the Foundation, you avoid paying capital gains tax.

Gifts of grain or other assets

Businesses, corporations or individuals may qualify for a tax deduction when contributing inventory like grain, mineral rights, or other assets such as equipment used in the course of business. Equipment and other assets may need to be valued by an independent appraiser for tax purposes. Inventory is deducted based on the cost basis.

Qualified Charitable Distribution (QCD)

The Qualified Charitable Distribution (also known as the IRA charitable rollover) allows individuals 70 1/2 or older to give up to \$100,000 each year, directly from their IRA to the Kansas 4-H Foundation without paying federal income tax. Gifts must come directly from the donor's IRA account. Gifts from IRA's may now be used to set up a life income arrangement. A QCD may be counted toward satisfying your Required Minimum Distribution which now starts at age 73. Please contact your plan administrator for appropriate forms.



Gifts from donor-advised funds

Donor-advised funds (DAFs) are investment accounts that donors open with a sponsoring organization. Donors can contribute cash, publicly traded securities, stocks, mutual funds, or non-publicly traded assets. Additionally, with a donor-advised fund, you are able to take an immediate tax deduction for full market value of appreciated assets donated and avoid capital gain tax. Donors will work with the organization managing their DAF to make contributions to Kansas 4-H directly.

Charitable lead trust

A charitable lead trust enables you to make a substantial gift

to the Kansas 4-H Foundation over a period of years. These trusts, usually funded with income-producing assets that are expected to appreciate, pay an income to the Foundation. At the end of the term, the assets can either revert back to you or be passed on to those you designate.

CREATING OPPORTUNITIES FOR THE FUTURE

Charitable bequests through a will or trust

Gifts made through your will or trust, called bequests, enable you to retain total control of your assets during your lifetime and determine the distribution

of your assets upon your death. For many 4-H supporters, a commitment to include the Kansas 4-H Foundation in a revocable will or trust is the most effective way to make a major gift commitment.

Joint & Individual Investments

For investments that are held in individual or joint ownership, donors should have designated beneficiaries. This can be accomplished through beneficiary designation forms provided by your financial institution. You may select a primary beneficiary as well as contingent beneficiaries.

IRAs and other qualified plans

If you wish to defer your charitable gift until the time of death, the best assets to use may be your IRAs, employer sponsored retirement plans, annuities or other assets upon which income tax has been deferred. By using such assets for charitable gifts, the accrued income tax liability is avoided. The easiest way to donate your IRAs or qualified plan balances to support Kansas 4-H at the time of death is simply to name the Kansas 4-H Foundation on a beneficiary designation form provided by the financial institution.

Life insurance

Gifts of life insurance can be made in multiple ways. The gift can be arranged so the donor owns the life insurance policy and names the Kansas 4-H Foundation as the beneficiary or the Kansas 4-H Foundation becomes the owner and beneficiary of the policy. The donor will only receive a charitable income



tax deduction at the time of the transfer of ownership and would not be included in their estate. At the donor's death, the Kansas 4-H Foundation will receive the proceeds. Primary or contingent beneficiaries are named on your beneficiary designation form.

Retained life estate

You may transfer ownership of real estate, typically your personal residence, to the Kansas 4-H Foundation while retaining the right to use the property during your lifetime. This is a great way to support 4-H, receive income tax deductions and retain and maintain the enjoyment of your property.

CREATING INCOME TODAY & PROVIDING FOR TOMORROW

A life income gift allows you to contribute assets to the Kansas 4-H Foundation while retaining an income. One of the key benefits is the reduction or bypass of capital gains, allowing the full value of the asset to generate income for you or others and eventually support Kansas 4-H.

Life income gifts can be structured to fit a variety of needs, including a choice of a fixed income or a market-sensitive income. The two main types of life income gifts are charitable remainder trusts and charitable gift annuities. Each has a different use and tax result.

Our development team will provide suggested language to you and your attorney for your estate plans to designate a gift to the Foundation. Documenting these gifts assures you that your philanthropic intentions will be fulfilled.

The Kansas 4-H Foundation works with businesses, organizations, individuals and families who share a common desire to support a statewide effort of growing our future leaders. The Foundation is the 501(c)(3) fundraising arm for Kansas 4-H, the state's largest youth development program, as well as Rock Springs Ranch. Gifts to the Foundation are tax-deductible to the full extent of the law.

This material has been prepared for informational purposes only and should not be relied on for tax, legal or accounting advice. You should contact your tax, legal and financial advisors before engaging in any transaction.

Appreciated Assets*		✓	
Life Insurance	✓		
Retirement Plans			✓

* stocks, bonds, mutual funds, real estate held for over a year

Notes:

