



FOR YOUTH DEVELOPMENT™
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY

Make a Gift to the South Sound YMCA Using Your Retirement Plan Assets

Retirement plans are popular because of the tax benefits – most avoid income tax and grow tax-free. The assets are not subject to income tax until they are withdrawn by the owner.

Assets remaining in retirement plans at the death of the owner are received by heirs as *income in respect of a decedent*. The assets are subject to federal and estate taxes. In some instances, these taxes can deplete the assets by more than 75% of their total value.

Rather than see retirement assets absorbed by taxes, individuals can direct that such assets from their estates be used to make a charitable gift to the South Sound YMCA. They then preserve other assets for distribution to their families.

There are several ways to make a gift from your accumulated retirement assets and include:

Outright gift: Simply designate the South Sound YMCA as beneficiary of a specified amount or percentage of remaining assets at the time of your death. You can also name the South Sound YMCA as the secondary beneficiary to receive remaining benefits should your primary beneficiary die before the assets are depleted. Many families choose to leave their retirement plan benefits directly to a charity and then use life insurance as a way to “replace” the wealth contributed.

Gift in trust: By establishing a charitable remainder trust you can transfer remaining retirement plan assets, at the time of your death, to the trust and provide income to your heirs before the assets in the trust are transferred to the endowment fund of the South Sound YMCA.

Withdrawals during your lifetime: A withdrawal can be given to the South Sound YMCA as an outright gift, which will lower your taxable estate and offer a current income tax charitable deduction.