

Price & Farrington's Estate and Tax Planning Fast Faxes

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Estate, Tax, and Wealth Planning For Advisors and Clients

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The Seattle Foundation: Helping Clients Make Giving Easier



Many people throughout greater Seattle want to leave their mark on the community through charitable donations, but don't know where to start. Advisors are often the first people they turn to for guidance on charitable giving. We have found The Seattle Foundation to be a natural partner in providing philanthropic advice and services to clients.

As the oldest and largest community foundation in Washington state, The Seattle Foundation has served thousands of socially-conscious donors by offering stewardship, simplicity and sage advice on philanthropic giving since 1946. It is an ideal conduit for first-time givers, families seeking philanthropic solutions together or donors seeking greater direction for their generous giving.

Today, with over 1,000 family and individual funds, The Seattle Foundation manages assets of more than \$307 million. Last year alone the Foundation gave away \$43 million to nonprofit organizations that work hard to improve the quality of life in the greater King County community and beyond.

Working Together. The Seattle Foundation offers financial and legal advisors an array of tools to assist clients in making meaningful contributions to their communities while providing the best financial advantages possible. The Foundation provides different ways for clients to establish a philanthropic fund, or "personal foundation," without the involved administrative and legal requirements imposed on independent private foundations. A fund at The Seattle Foundation allows a client to recommend grants to favorite organizations during his or her lifetime and beyond.

As part of its services, The Seattle Foundation helps donors create individual giving plans, connect them with pre-screened proposals from nonprofits that match their areas of interest or personal beliefs, and ensure that their charitable dollars are going to support viable, financially-sound organizations. This, in addition to taking care of the paperwork, is

all part of the Foundation's role of *making giving easier.*

After 56 years of supporting the greater Puget Sound community, The Seattle Foundation is well connected to hundreds of nonprofit organizations, from the arts and environment to health, education and human services. By working with The Seattle Foundation, professional advisors connect their client's assets to the people and places in the community with the greatest need. And with numerous fund options—from donor advised funds (see Dec., 2000 *FastFaxes*) to scholarships—the Foundation can meet the diverse interests of clients.

Tools for Giving. The Seattle Foundation also offers many investment tools and resources that vary in function and reward. These provide professional advisors with the flexibility to offer well-rounded services and advice to a diverse client base with a wide-range of philanthropic interests and financial needs. Here is a sampling of tools a client can use to create a fund at The Seattle Foundation:

• **Outright gifts.** Cash and assets, such as property, can be donated as an outright gift. This option provides donors with income or estate tax relief, in addition to eliminating taxes on capital gains for donated property.

• **Bequests.** Offered as an outright gift in the form of a certain dollar amount, stock, real estate or portions of an estate, bequests are entitled to an estate tax deduction.

• **Life income gifts, including charitable gift annuities, charitable remainder trusts or pooled income funds.** Life income gifts allow donors to receive income for a term of years or through the end of the donor's life, at which time The Seattle Foundation uses the remaining assets to support non-profit organizations in accordance with the donor's recommendations. The donor benefits through relief from income taxes, capital gains taxes and estate and gift taxes, and can also use the gift income to supplement retirement earnings. There is an additional benefit: the original gift can grow over time with smart management and a healthy market.

• **Charitable lead trusts.** Using income from this type of trust to fund charitable



"And the Haves, you might say, are divided into the Gives and Give Nots."

donations, the benefits are immediately felt by the community through distributions from the trust. This philanthropic tool preserves the original contribution for the heirs while minimizing gift and estate taxes, and may offer income tax relief under some circumstances.

• **Life insurance policies.** When offered as a tool for giving, life insurance policies provide a range of tax benefits. There are many methods of using the insurance policy tool, from naming The Seattle Foundation as the beneficiary to donating a fully-paid policy. A life insurance gift can reward donors with estate tax deductions or an immediate income tax deduction, depending on the beneficiary and level of policy payment

• **Online Access.** Advisors can gain easy access to The Seattle Foundation's Planned Giving Design Center through its Web site at www.seattlefoundation.org/advisors/aboutpgdc.html. You can log on or sign-up for regular updates on the nation's best legal, tax and planned giving expertise. For tech-savvy clients, the Foundation offers online fund management. Donors can log on to check their fund balance and grant history, review nonprofit proposals and make grant recommendations.

Bottom line. The Seattle Foundation makes the professional advisor's job easier and makes the client's giving easier and more meaningful by matching philanthropic goals with the community's needs. Check it out!

For more information about The Seattle Foundation, advisors can log onto their website (above) or clients can visit philanthropicplanning@seattlefoundation.org or phone 206.622.2294.



➤ "When it comes to giving, some people stop at nothing."

➤ "The trouble with some folks who give until it hurts is that they are sensitive to pain."
Milton Berle