



Appleby College Planned Giving



Appleby College Planned Giving Information

Thank you for considering Planned Giving with Appleby College. For many of us in the Appleby community, our memories of the school are filled with vivid reminders of why Appleby is such a special place. We recall cherished friendships, victories won and experiences learned. And, while much has changed over the years, we continue to take pride in knowing that our school is recognized globally as one of Canada’s leading independent schools.

While planning for one’s legacy may seem daunting, it can also be transformational. An estate plan’s purpose is to assist you to define your legacy as it will outline your intention for who will benefit from your estate in the future. Your estate plan will help honour your wishes and provide for your family and the organizations that are dear to you, such as Appleby. At Appleby, we understand the importance of estate planning and offer this resource as a helpful guide that may assist you and your family with making the gift planning process understandable.

Common planned gifts include:

- Estate Gifts (Bequest)
- Gifts of Life Insurance
- Gifts of Retirement Funds
- Gifts of Stocks and Securities

Gift planning and bequests allow you to make a strategic and affordable charitable donation that creates maximum impact. Please explore the various options outlined on the following pages and contact us if you have any questions.

Melanie Snyder, CFRE

Director, Development
Appleby College

Email msnyder@appleby.on.ca or phone 905-845-4681 ext. 131

Estate Gifts (Bequest)

A charitable bequest is a gift made through your will that is distributed by your estate. The school will issue a receipt for the bequest, which will result in a tax credit that may be claimed to offset up to 100% of your taxable income in the year of death and the preceding year.

A charitable bequest can be designated for a specific purpose at Appleby. Bequests can be a dollar amount, a specific asset, or as a percentage or the remainder of your estate.

Benefits of making a bequest:

You have the use of the asset during your lifetime

A bequest reduces taxes owed by your estate

A bequest is revocable and can be modified if your financial circumstances change

Gifts of Life Insurance

A gift of life insurance is separate from your estate. It is a worthwhile alternative to a cash gift and a strategic way of making a substantial donation at a relatively low cost to you.

You can proceed in one of three ways, all of which can help you meet your tax planning goals.

Ways to Donate Your Life Insurance Policy

- 1. Name ‘Appleby College’ as the beneficiary of your existing life insurance policy. Your estate will receive a tax receipt for the amount of the death benefit. The policy will always remain under your control.
- 2. Take out a new life insurance policy and name ‘Appleby College’ as the policy owner and beneficiary. The premiums you pay on the policy will then be eligible for a tax receipt. Premiums are lower in the case of a joint policy.
- 3. Make ‘Appleby College’ a policyholder of an existing life insurance policy. As the donor, you will receive a tax receipt for the fair market value of the policy at the time of the transfer. If you continue to pay the premiums, you will be issued a receipt for the corresponding amount. And you will maintain control over the policy.

Gifts of Retirement Funds

You can name ‘Appleby College’ as the beneficiary of your Registered Retirement Savings Plan (RRSP) or Registered Retirement Income Fund (RRIF). The value of your retirement plan is removed from your estate, which can greatly reduce the tax owing on your final Canada Revenue Agency tax return.

Due to recent tax changes, you no longer need to designate the recipient charity in your will.* Just sign a declaration provided by your financial institution to designate ‘Appleby College’ as a beneficiary.

Once your needs and those of your loved ones have been taken care of, you can donate registered assets such as a Registered Retirement Savings Plan or a Registered Retirement Income Fund to create a legacy that will benefit Appleby College and effectively reduce the taxes payable by your estate.

**If you are a resident of the Province of Quebec, you must designate the beneficiaries of your RRSPs and RRIFs through a clause in your will.*

Gifts of Stocks and Securities

Benefit from tax reductions when you donate public securities:

Reduce estate taxes

Receive immediate tax benefit

Reduce capital gains tax

Example of how a gift of securities works:

A couple decided to support Appleby with a gift of \$100,000. They learned that they would have a greater net tax benefit by donating their public securities directly to Appleby rather than by selling them and donating the cash proceeds. The chart below compares the costs and savings assuming a tax rate of 50 per cent.

	Sell Shares & Donate Cash	Donate Shares Directly
Fair Market Value	\$100,000	\$100,000
Cost Basis	\$20,000	\$20,000
Capital Gain	\$80,000	\$80,000
Taxable Gain	\$40,000	\$0
Tax Credit (at 50%)	\$50,000	\$50,000
Tax on Gain (at 50%)	\$20,000	\$0
Tax Savings	\$30,000	\$50,000

You can also donate securities directly to Appleby to eliminate the capital gains tax on your investments. Canadian law currently allows you to donate traded securities, mutual funds, and bonds to registered charities without having to pay capital gains tax. **A notification of securities transfer form is required.**



In Conclusion: The Benefits of Planned Giving

Planned giving offers significant benefits to both the donor and the recipient. Here are a few:

1. Tax Relief

Depending on the type of asset, leaving a gift in your will to Appleby can significantly reduce estate taxes.

2. Flexibility

Your gift can be for any specific amount, percentage, or residue of your estate.

3. Peace of Mind

You can adjust your planned gift at any time.

4. Cost-Effective

There are no extra out-of-pocket costs. Your current income won't be affected.

5. Recognition

Donors who choose to include Appleby in their estate plan will be recognized with membership into the Sir Edmund Walker Society and will be listed in the summer *Quarterly* magazine.

Thank you for considering this special gift. A planned gift to Appleby will inspire tomorrow's leaders and contribute to sustaining the beacon of excellence our school strives to achieve, year after year.

Note: This information is not intended to provide any financial, legal, or tax-related advice. You are encouraged to seek independent professional advice from a qualified accountant, lawyer, or financial advisor to ensure proper planning and donation administration.



APPLEBY COLLEGE
540 Lakeshore Road West, Oakville, Ontario L6K 3P1