

Gifts of Life Insurance

Many people have never considered life insurance as a means of giving, but it can offer great opportunities. Life insurance offers a variety of ways to make significant gifts to our church. Sometimes the insurance is the gift itself, in other cases, insurance makes the gift possible.

Please consider the following possibilities:

Give an Existing Policy

Most paid up policies are older and in smaller amounts. If the policy has outgrown its primary purpose (usually to provide for a growing family), you may find such a policy is an excellent way to satisfy your charitable giving desires. You are able to make a significant gift with no out-of-pocket expense.

Buy a New Policy

You can create a sizeable gift by paying pennies of premium for the dollars ultimately received, so life insurance policies make excellent and practical gifts to the church.

Gift Premium Dollars to the Church

The church uses the gift to purchase an insurance policy on your life. If the church is the owner and beneficiary, ***the premium becomes a current tax-deductible gift.*** The church receives the death proceeds tax-free.

Give Enough to Create Income

Life insurance pays in a lump sum, making it particularly valuable for gift purposes. Policy proceeds can be paid to the general fund of our church. Or, if you wish to designate that your gift be placed in the Permanent Endowment Fund of the church and kept in perpetuity, only the investment or interest income will be used for the church's needs or as you may designate.

Assign Your Dividends to the Church

Many life insurance policies pay dividends. You can instruct the insurance company to pay the dividends directly to Pasadena Community Church. You can then deduct the amount of the dividend as a charitable contribution. The church receives income immediately.

Use Life Insurance to Replace Securities or Assets You Give

If you have appreciated securities (stocks, bond, etc.) that you would like to give to the church but feel that you would be depriving your heirs of their inheritance, consider gifting the securities or assets to your church. Then use the income tax savings to buy life insurance equal to the value of the gift, designating your heirs as beneficiaries. You, the church, and your heirs benefit.

Change Your Beneficiaries

You can name Pasadena Community Church as beneficiary of a percentage or fixed amount of your life insurance proceeds. If you name the church as an irrevocable beneficiary, you may receive an income tax deduction for this gift; you may also deduct a percentage of each premium you pay in the future. Your estate can deduct the death proceeds paid to the church for estate tax purposes.

Whether it is a paid-up policy or one that requires continuing premium payments, if you name the church as the owner and beneficiary, you can receive an income tax deduction for the gift.

(Information courtesy of Christ United Methodist, Salt Lake City <http://christumcutah.net/endowment/life-insurance>)