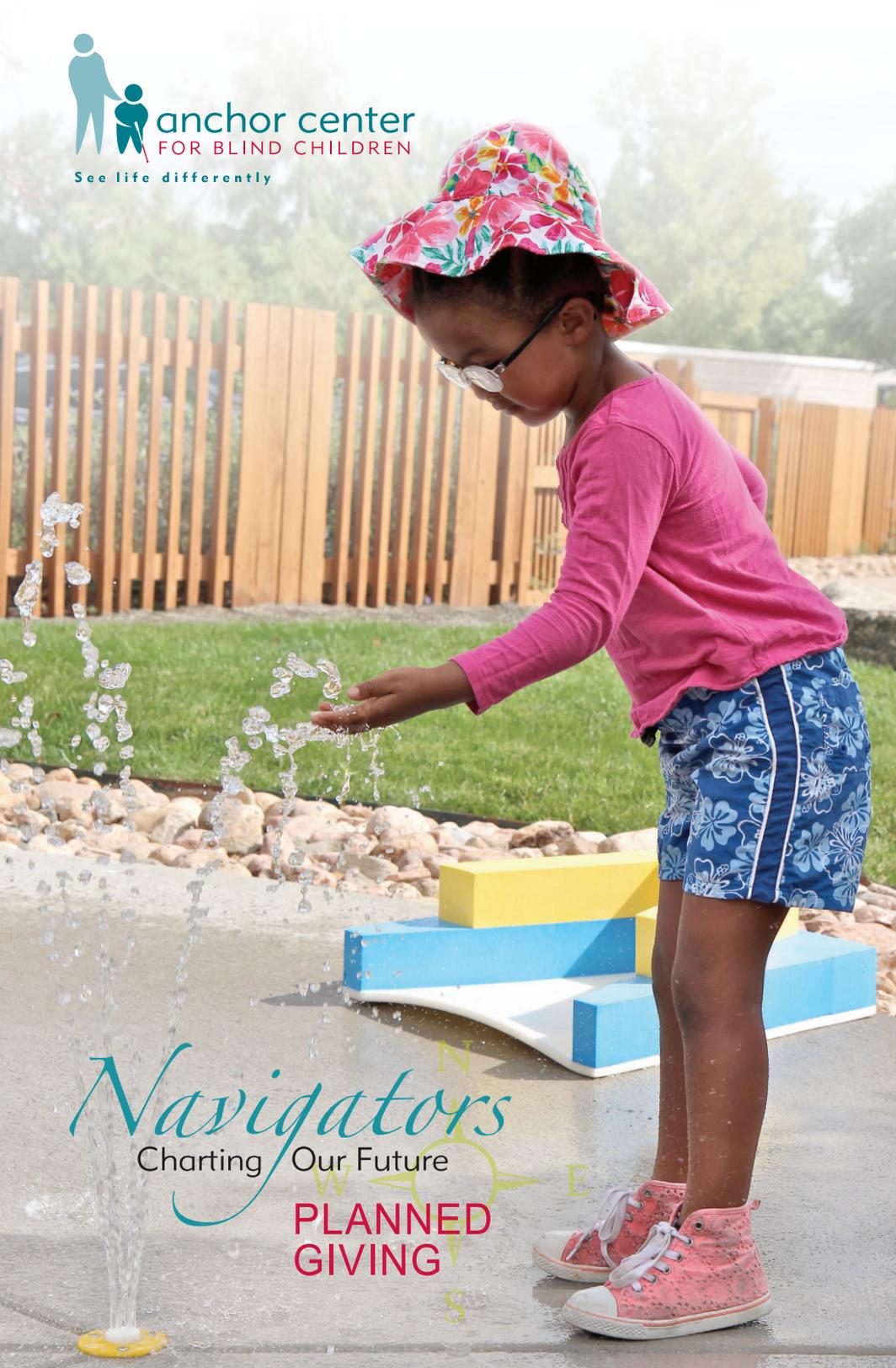




anchor center  
FOR BLIND CHILDREN

See life differently



# *Navigators*

Charting Our Future

PLANNED  
GIVING



# *Navigators*

Charting Our Future



Leave a

*Legacy*

Transform a

*Life*

Ensure a

*Future*

You can secure the future for Colorado's young blind, deaf-blind, and visually impaired children by becoming an honored "Navigator" – charting our course in the journey ahead by remembering Anchor Center for Blind Children in your will, estate plan or other gift of future provision.

Navigators is our legacy society composed of forward-thinking donors like you who have chosen to support Anchor Center with a promise of a planned gift.

The pledge of a planned gift helps ensure the long-term sustainability of our organization and mission to help children and their families learn how to live with a visual impairment, meet critical developmental goals and ultimately lead full, productive lives.

The enclosed information describes the many ways you can make a gift and leave a legacy. On behalf of the families and children served at Anchor Center, thank you for considering this commitment.

# THE REWARDS OF CREATIVE GIVING

## *Design A Plan That Fits Your Needs*

As we confront the challenges of the future we know that the generosity of those who assist us will make all the difference in our success. That is why we seek your support.

We also, however, want to make sure that you benefit from making a gift to us. In addition to making a difference in the lives of others, the best gift plans improve your financial and tax situation – often right away.

This booklet allows you to explore opportunities that combine your philanthropic giving with your financial needs and tax-planning strategies. Through creative gift planning you can secure your own financial future as well as ours.

To design a gift that benefits the people and organizations that you care about most, we recommend that you obtain the professional council of an attorney who specializes in estate planning. We can work with your advisors to help you plan for tomorrow and receive maximum benefits today.

### **Potential Benefits:**

- Receive a current income tax deduction.
- Avoid long-term capital gains tax.
- Increase income and effective rate of return.
- Reduce estate and gift taxes.

# A CURRENT WILL OR TRUST

## *Vital Documents*

Have you put off making or updating your will or living trust? Maybe you think it costs too much to do. Perhaps you are having a hard time deciding how to leave your money, or you may simply have uncertainty or an aversion to confronting your mortality.

Having these documents prepared for you may seem like a daunting task at first, until you realize all of the good that comes from having them.

A bequest from either a will or living trust lets you pass any amount you wish to us free of estate tax. You can give cash, specific property or a percentage of your estate, with restrictions or without. Because your gift doesn't come to us until after your lifetime, you can change your mind at any time.

To make sure your will accomplishes your goals according to your wishes, we recommend that you obtain the professional counsel of an attorney who specializes in estate planning.

### **Benefits:**

- Provide your family after your death.
- Distribute your assets according to your wishes.
- Save on estate taxes with proper planning.
- Leave a legacy without giving up assets today.

# CASH

## *A Quick and Easy Gift*

A cash gift by check is one of the most common and easiest methods for making an outright charitable contribution. If you itemize income tax deductions on your tax return, the first tangible benefit of making a gift by cash or check is the tax deduction for the full value of your gift.

The annual limitation on the use of charitable deductions claimed for gifts to public charitable organizations is usually no more than 60% of your adjusted gross income for cash gifts. Any unused deduction can be carried over and used for up to five additional years, giving you six full years to use the deduction.

Additionally, your cash contribution to Anchor Center for Blind Children qualifies for a 50% Colorado Child Care Contribution Tax Credit. Anchor Center donors (including individuals, estates, trusts, partnerships, and corporations) who file a Colorado State tax return are eligible to claim the credit for qualifying contributions they make during the given calendar year.

The last benefit is seeing the immediate results of your generosity. Further, you are demonstrating a strong commitment to help support our mission and contributing to our success.

### **Benefits:**

- Receive a current income tax deduction.
- Receive a 50% credit on your Colorado State tax return.
- Reduce your potential estate taxes in the future.
- Determine the exact amount of your desired support.
- Experience the joy of giving today.



# WHAT TO GIVE

## *Assets Worth Donating*

Any type of asset that you irrevocably donate to a charitable organization like ours results in a current income tax deduction when you itemize, but there may be other tax benefits from your contribution as well.

If you contribute appreciated securities that you have held more than one year (long-term), you have the added benefit of avoiding tax on the gain. You can also give us tangible personal property (like an art object, prized collection or antique) and take a deduction for its full fair market value if the gift is used for our exempt function.

These are but two of the types of assets you can donate outright to us today. Using assets other than cash allows you more flexibility when planning your gift, and there are even more potential benefits if you plan your gift creatively.

### **Benefits:**

- Receive a current income tax deduction for gifts of securities.
- Provide relief from long-term capital gains tax with gifts of securities.
- Make meaningful gifts with donations of personal property.
- Help fulfill our mission with your contributions.

## EXAMPLE

### *Donor:*

Dave has stocks currently valued at \$20,000 that he purchased for \$4,000 several years ago, which will result in a \$16,000 capital gain if he sells the securities. He is in a 35% marginal income tax bracket.

### *Tax-Saving Strategy:*

Dave should consider donating the stock to his favorite charitable organization.

### *Benefits:*

- Dave receives an income tax charitable deduction for the full fair market value of \$20,000 – saving him \$7,000 ( $\$20,000 \times 35\%$ ) in income taxes.
- Dave bypasses the \$16,000 capital gain, saving \$2,400 in his 15% capital gains tax bracket ( $\$16,000 \times 15\%$ ).
- The total tax savings from capital gains and income taxes is \$9,400.

# YOUR RETIREMENT PLAN ASSETS

## *Costly to Inherit*

Did you know that most retirement plan assets are facing double taxation? Assets remaining in retirement plans funded with pretax dollars are considered “income in respect of a decedent” at your death. So the amount left to heirs is diminished not only by estate taxes, but the recipient must also pay income taxes on it!

If you can make other provisions for your family, there is a better option for your retirement plan assets – a charitable gift after your lifetime.

To name Anchor Center as the beneficiary, first consult your advisor, then instruct the plan administrator of your decision and sign whatever form is required. For an IRA or Keogh plan you administer personally, notify the custodian in writing and keep a copy with your valuable papers.

### **Benefits:**

- Avoid all federal income and estate taxes when you name us as the primary beneficiary.
- Receive partial savings when you give us a specific amount before giving your family the remainder.
- Name us as the contingent beneficiary, which allows for greater flexibility.
- Make the most cost-effective gift you can make, saving other less-taxed assets for loved ones.

## EXAMPLE

### *Bill's Estate Plan:*

Bill's estate contains his personal possessions, an insurance policy and a sizable profit-sharing account. Bill wants to provide for his children, but he also wishes to leave a charitable gift – with the rest of his estate passing to his children.

### *Tax-Saving Strategy:*

He should consider naming his favorite charitable organization as beneficiary of his profit-sharing account.

### *Benefits:*

- Assets in the profit-sharing account pass to the charitable organization free of any income tax obligation.
- The value of Bill's gift to charity qualifies for an estate tax charitable deduction.
- Bill's children benefit from other assets in his estate that are free of income taxes.
- Bill can change his mind at any time.

# CHOOSE THE OPTION THAT MATCHES YOUR GOALS

| YOUR GIFT                                 | YOUR GOAL   | HOW TO MAKE THE GIFT   | YOUR BENEFITS   |
|---|---|--|---|
| <b>BEQUEST</b>                            | Defer a gift until after your lifetime                      | Name us in your will or living trust (designate a specific amount, percentage, or share of the residue.) | <ol style="list-style-type: none"><li>1. Control your assets for your lifetime</li><li>2. Donation exempt from federal estate tax</li></ol> |
| <b>OUTRIGHT GIFT OF CASH</b>              | Make a quick and easy gift                                  | Simply write a check or make a cash donation now   | <ol style="list-style-type: none"><li>1. Immediate income tax deduction</li><li>2. Removes property from future taxable estate</li></ol>    |
| <b>OUTRIGHT GIFT OF SECURITIES</b>        | Avoid tax on long-term capital gains                        | Contribute long-term appreciated stock or other securities   | <ol style="list-style-type: none"><li>1. Immediate charitable deduction</li><li>2. Avoid long-term capital gains tax</li></ol>              |
| <b>OUTRIGHT GIFT OF PERSONAL PROPERTY</b> | Share your enjoyment of a collection or other personal item | Donate tangible personal property related to our tax-exempt function                                     | Charitable deduction based on the full fair market value  |

| YOUR GIFT                        | YOUR GOAL   | HOW TO MAKE THE GIFT  | YOUR BENEFITS  |
|----------------------------------|---|---|--|
| <b>GIFT OF RETIREMENT ASSETS</b> | Avoid the two-fold taxation on IRA's and other retirement plans               | Name us as the beneficiary of your retirement account after your lifetime | Allows you to make the gift from the most highly taxed assets, leaving better assets for your family   |
| <b>GIFT OF LIFE INSURANCE</b>    | Make a large gift with little cost to yourself                                | Change ownership of a life insurance policy you no longer need            | <ol style="list-style-type: none"> <li>1. Current income tax deduction</li> <li>2. Possible future deduction through gifts to pay future premiums</li> </ol> |
| <b>RETAINED LIFE ESTATE</b>      | Give your personal residence or farm now, but continue to live there          | Designate ownership of your property to us, but retain occupancy for life | <ol style="list-style-type: none"> <li>1. Valuable charitable income tax deduction</li> <li>2. Lifetime use of residence</li> </ol>                          |
| <b>GIFT OF REAL ESTATE</b>       | Make a gift of property no longer needed and generate an income tax deduction | Donate the property to us   | <ol style="list-style-type: none"> <li>1. Immediate income tax deduction</li> <li>2. Reduction or elimination of long-term capital gains tax</li> </ol>      |

# CHOOSE THE OPTION THAT MATCHES YOUR GOALS

| YOUR GIFT                         | YOUR GOAL  | HOW TO MAKE THE GIFT   | YOUR BENEFITS  |
|-----------------------------------|--|--|--|
| <b>CHARITABLE REMAINDER TRUST</b> | Secure a fixed and often increased income, or create a hedge against inflation | Create a trust that pays income annually, the principal is retained for a charitable organization                                    | <ol style="list-style-type: none"> <li>1. Variable or fixed income for life</li> <li>2. Immediate income tax charitable deduction</li> </ol>                   |
| <b>CHARITABLE LEAD TRUST</b>      | Reduce gift and estate taxes on assets you pass to children or grandchildren   | Create a charitable trust that pays fixed or variable income to us for a specific term of years; the principal is retained for heirs | <ol style="list-style-type: none"> <li>1. Reduces your taxable estate</li> <li>2. Property kept by your family, often with reduced gift taxes</li> </ol>       |
| <b>CHARITABLE GIFT ANNUITY*</b>   | Supplement your income with steady payments that are partially tax-free        | Establish a charitable gift annuity contract with us that pays a set amount for life   | <ol style="list-style-type: none"> <li>1. Current and future savings on income taxes</li> <li>2. Fixed payments for life for one or two individuals</li> </ol> |

\*Not available in some states or from some organizations

# LIFE INSURANCE

## *A Versatile Tool for Many Purposes*

When you first obtained your life insurance policies, you obviously felt a need for them. Perhaps you do not need all that coverage today, yet you still have those policies.

If you are thinking about a contribution to us, a gift of your life insurance could be a sensible, as well as generous, course of action. If you make us owner of the policy, you will normally receive an income tax deduction for the policy's fair market value or cost basis, if lower, on the date of the gift.

If you name a beneficiary of the policy (and retain ownership), you won't be eligible for current tax benefits because the gift is revocable at any time.

Whether you name us as owner of the policy or name us as the beneficiary while you retain ownership, your estate will not pay estate taxes on the policy proceeds we receive.

### **Benefits:**

#### *Name us as owner.*

- Receive a charitable income tax deduction when you name us as beneficiary and assign us ownership.
- Receive future income tax deductions when you name us as owner and continue to pay premiums.

#### *Name us as beneficiary.*

- Obtain flexibility by naming us as primary beneficiary but keeping ownership.
- Name us as contingent beneficiary and secure your family's needs first.

# RETAINED LIFE ESTATE

*An Option That Lets You Have It Both Ways*

Let us assume you like the tax advantages that a charitable gift of real estate would offer, but you want to consider living in your personal residence for your lifetime. Do you realize you can give us your home and continue living there?

It is true! This type of gift is called a retained life estate.

A gift of your home (including a vacation home or condominium) or farm, with a reservation of the right to use it for life, results in a charitable deduction on your income tax return.

## **Benefits:**

- Use the residence for the rest of your life and/or another person's life.
- Receive income tax savings through a charitable deduction for a portion of your home's value.
- Reduce estate taxes.
- Avoid the hassle of selling the property at a future date.



# REAL ESTATE

## *A Tax-Wise Gift*

Are you thinking of selling land or a building? Beware of capital gains tax!

If you sell your primary residence, you can exclude up to \$250,000 (\$500,000 if you are married) of the gain. This tax break does not apply to other types of real estate, however, so you may have a better alternative.

A charitable contribution of real estate – whether it is your personal residence, a vacation home, a farm, commercial real estate, or vacant land – will give you numerous advantages.

When you give your home or other real estate to us, you create an enduring testimonial of your interest in our mission. Your personal satisfaction is also complemented by valuable tax benefits.

### **Benefits:**

- Receive an income tax charitable deduction for the full fair market value.
- Avoid tax on the property's appreciation.
- Prevent the hassle of trying to sell the property.
- Make a gift to support a great cause, and reduce your taxable estate.

# CHARITABLE REMAINDER UNITRUST

## *A Gift with Built-In Flexibility*

A charitable remainder unitrust is like a combination of a gift and an investment plan. You place assets in trust, and you (and/or another beneficiary) receive lifetime income from them- then we receive the remainder.

With a unitrust, the amount you receive as income varies each year and is a set percentage of the value of the trust assets, re-determined annually. You also have the option of choosing one of five variations of unitrusts. A unitrust with a net income plus makeup provision, for example, pays only the actual trust yield, even if it is below the stated percentage. Then in later years, when the beneficiary needs more income, the trustee can invest the assets to generate a higher return and make up earlier deficiencies.

This option is excellent for devising a supplemental retirement plan. We can provide you with more details.

### **Benefits:**

- Receive lifetime variable income (often greater than the yield on contributed assets).
- Obtain a sizable income tax charitable deduction.
- Avoid up-front capital gains tax if you donate long-term appreciated securities.
- Make a significant gift to one or more charitable organizations.

## EXAMPLE

### *Donor:*

Jane, aged 60, has stocks currently valued at \$100,000 and yielding a 2% dividend.

### *Gift Vehicle:*

Charitable remainder unitrust

### *How It Works:*

Jane transfers the stock to the unitrust and arranges to receive in quarterly payments 7% of the market value of the unitrust assets as determined annually.

### *Benefits:*

- Jane receives an income tax charitable deduction for the charitable portion.
- The first year she receives \$7,000 (7% of \$100,000), a \$5,000 increase in income.
- If the value of her trust increases, so will her income payments. Jane will then have a built-in hedge against inflation.

# CHARITABLE REMAINDER ANNUITY TRUST

## *A Gift to Us with Predictable Benefits to You*

If you are disappointed in the yield from your current investments in the stock and bond markets, yet you want to avoid the capital gains tax should you sell, consider a charitable remainder annuity trust.

This plan will pay you, year after year, the same dollar amount you choose at the outset. The income payments are fixed, based on the starting valuation. Then after your (or another named beneficiary's) lifetime and the lifetime of the survivor beneficiary (if desired) the balance in the trust is available to support our mission.

The charitable remainder annuity trust is more than an eventual gift to us. It lets you give away the tree and still keep the fruit, because you receive an income stream from your donation.

### **Benefits:**

- Receive a fixed dollar income paid annually, semiannually, quarterly or monthly,
- Obtain a partial charitable deduction.
- Increase your income from a low-yield asset.
- Gain freedom from investment management.
- Avoid up front capital gains tax on long-term appreciated assets used to fund the trust.

# CHARITABLE LEAD TRUSTS

## *Preserve An Inheritance*

Are you concerned about the possibility of the government taking a huge part of the assets you were planning to leave your heirs? There is a strategy to pass assets to your family with significant estate tax savings while making a gift to us. It is called a charitable lead trust.

After we receive income from assets in the trust for a period of years, the balance goes to your selected love ones, with estate or gift taxes usually reduced or even eliminated.

The lead trust is an exceptional way to transfer property to your children or other heirs at minimal tax cost. It is ideal if you are willing to forgo investment income on an asset but do not want to have the estate taxes reduce the principal passed to heirs.

With a lead trust, you carry out your philanthropic plans over the coming years and save on taxes.

### **Benefits:**

- Fund the trust during your lifetime or through your will.
- Support our mission through annual income payouts.
- Reduce your taxable estate and potential gift taxes.
- Keep assets in the family.

# Roots of Anchor Center

Founded in 1982 by a librarian for the blind and alumnae from the Delta Gamma Fraternity, Anchor Center for Blind Children is a nationally recognized leader in serving children who have vision, cortical visual, dual sensory (vision and hearing), and co-occurring disabilities during their most formative years of development – birth to age five. Located in Denver, Anchor Center is the only pediatric blindness organization in Colorado – and one of just a handful in the United States – that offers the full range of center-based, home visitation, and virtual telehealth services specializing in:

- Early childhood intervention and special education
- Complementary therapy
- Vision care and assessment
- Groundbreaking research
- Integrated family support

Since our inception in 1982, Anchor Center has helped thousands of children reach essential developmental milestones, while also supporting families as they encourage their child toward a life of independence, achievement, and genuine fulfillment.

*Navigators ensure Anchor Center's future and the future of Colorado's young blind children. By including Anchor Center in their estate plan or by making a planned gift, Navigators give families hope and help children "see life differently."*

**“Anchor Center has opened our eyes to another world, one of beauty and grace, one that inspires, celebrates and empathizes in the special life we get to live.”**

*Kiera Jordan's mom*

**Questions?** Contact us at [PlannedGiving@anchorcenter.org](mailto:PlannedGiving@anchorcenter.org) or 303-377-9732 for more information about anything covered in this planned giving booklet.





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