



Charitable Trust Gift

(also known as a Charitable Remainder Trust)

A charitable remainder trust is a deferred giving arrangement. It allows you to arrange your legacy gift now, receive an immediate tax receipt and enjoy the interest income from the gifted asset during your lifetime. The charity receives whatever remains in the trust as agreed upon in the trust document. You can arrange a trust using cash, bonds, publicly-listed securities, or real estate.

This form of a legacy gift is ideal for upper-income donors who are 65 years of age or older (the optimum age being 75+ years) who are in a high income tax bracket, are able to donate a large asset and, will benefit from tax receipts that offset high income taxes during their lifetime.

What are the benefits of this type of gift?

- You can arrange a significant gift today and not lose the cash flow you are currently enjoying from this asset.
- You receive a tax receipt immediately – which can help if you need tax relief during your lifetime.
- The asset you use to set up the Trust will not form part of your estate, and so, your estate will save the cost of any probate fees.
- Gifts through trusts are confidential and less likely to be open to legal challenges than gifts through your will.

How do I set up a Charitable Remainder Trust?

This is a complex gifting arrangement and we recommend you discuss this with your professional advisor to explore whether or not this is the most appropriate gift arrangement for you.

The following points are an outline of the process:

- Working through a professional advisor, you would transfer cash or assets into a trust and name Knowledge Network as the capital beneficiary.
- You, or someone else you designate, will receive the income from this trust during their lifetime, or for whatever term you have stipulated.
- On the death of the last surviving beneficiary named to receive the income, whatever remains in the trust will flow to Knowledge Network.
- The amount of your tax receipt will be calculated using three factors: **1)** the estimated value of what will flow to Knowledge Network from the assets used to establish the trust, **2)** your age and **3)** interest rates.
- Fees involved in establishing and managing trusts can vary depending upon the financial institution or trust company you use.





Charitable Trust Gift (cont.)

If I have more questions about this, who can I contact?

We understand that this is a very important and complex decision and we are happy to help in any way we can. Please contact Paul Graham directly – or if you prefer, have your lawyer or notary do so – he is more than willing to help you and will keep all your conversations and information confidential.



Paul Graham

Development Officer

Email plannedgiving@knowledge.ca

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This document does not constitute legal or financial advice.

We recommend that before making a decision on a significant gift to Knowledge Network, you seek independent professional advice to ensure your gift is structured in accordance with your personal circumstance and that the related tax implications have been thoroughly considered.

Your advisor may request the following information:

- Our Legal Name: Knowledge Network Corporation
- Our Charitable Registration Number: 12153 2816 RR0001
- Our Address: 4355 Mathissi Place, Burnaby, B.C. Canada V5G 4S8

Thank you for considering creating a legacy at Knowledge Network.

