



Life beneficiary

Gift of life beneficiary OR Gift of Registered Investments

Making the WoodGreen Foundation the beneficiary of a life insurance policy, RRSP, RRIF, or TFSA allows you to create a legacy at the WoodGreen Foundation once your needs and those of your loved ones have been met. Donating all or part of an RRSP, RRIF or TFSA is an effective way to reduce the taxes payable by your estate. It is a way to create a lasting gift for the future that is easy to set up and the perfect answer to fulfill your philanthropic intentions once you have made provisions for your family and loved ones.

If you die without a surviving spouse or qualifying dependants, the full remaining value of your RRSP or RRIF is added to your income in the year of death. Your estate must pay the taxes which often create large tax liabilities for your estate. If your RRSP or RRIF has a registered charity as the direct beneficiary, your estate will receive a donation receipt for the entire value of the plan offsetting any tax liability. A gift of the beneficiary of life insurance or a TFSA can add to the value of your estate with a charitable tax credit by reducing other taxes.

Benefits to you

- **Control** – You retain the use of the registered investment for the duration of your lifetime.
- **Simple** – It's easy to arrange. Simply ask your financial institution to change the beneficiary designation to the WoodGreen Foundation.
- **Flexible** – The designation is revocable and can be changed if your circumstances alter.
- **Cost effective** – There are no extra out-of-pocket costs.
- **Eliminates probate, legal, and executor fees** – Your gift will not be subject to probate costs or delays in settlement. The full proceeds are payable upon your death.
- **Control** – Not a matter of public record allowing you to remain anonymous. Additionally, a beneficiary gift cannot be contested.
- **Opportunity** – An opportunity to make a significant gift.

How to

- Name the WoodGreen Foundation as the direct beneficiary of your life insurance policy, RRSP, RRIF, or TFSA. Upon your death, the proceeds will be paid directly to the WoodGreen Foundation without going through probate and delay.

Or, name your estate as the beneficiary and leave instructions in your will to donate all or part of these financial instruments to the WoodGreen Foundation. You may specify a percentage or a specific dollar amount to be donated if you wish.

Note: Your trustee will withhold taxes and probate will apply when choosing this option.

- In both cases a charitable tax credit will be created for your estate, offsetting taxes and possibly enhancing the estate value for other beneficiaries.

See the financial institution administering your life insurance policy, RRSP, RRIF, or TFSA to change the beneficiary.

For example:

Mrs. Jones makes the WoodGreen Foundation the beneficiary of her RRIF when she dies. This leaves a legacy gift of \$120,000 to the WoodGreen Foundation. Here is what happens:

- Mrs. Jones creates a future gift for a time when she no longer needs it and has meaningful impact on the WoodGreen Foundation.
- Her estate receives an immediate tax credit of \$120,000, offsetting other taxes of approximately \$54,000 that can be distributed to heirs.

Please seek expert advice: The WoodGreen Foundation strongly recommends that you seek professional financial, insurance and/or legal advice to ensure your financial goals are considered, your tax situation reviewed, and that your legacy gift is tailored to your circumstances. A financial or legal advisor should review in detail what plan best fits your needs. Before considering any, you should already have satisfied the needs of your family.

For more information on gift of life beneficiary or gift of registered investments to The WoodGreen Foundation please contact Michelle Kerr, mkerr@woodgreen.org or by phone at 416-645-6000 ext. 4006.