



YOUR GUIDE TO LEGACY GIVING FROM THE OTTAWA MISSION



## SATISFIED—AND HAPPY!

Thanks to his financial advisor, Frank Marshall is one satisfied and happy man. And thanks to Frank Marshall, The Ottawa Mission Foundation is one satisfied and happy organization!



Chapel wall at The Ottawa Mission.

Raised in small town Ontario, Frank\* is retired after 35 years with the federal civil service, working in information technology, a career he loved. Thanks to an indexed pension, personal savings, and no dependents, his financial situation is healthy. Frank knows that not everyone is so fortunate in life, and that was one reason why he started supporting The Ottawa Mission.

Frank considers the leadership at The Mission to be first rate, and it is doing excellent work that he cannot do himself. As he says, "The Ottawa Mission strives daily to transform lives. It teaches people useful skills and gives hope to those who need it most." That is something he really likes.

“  
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”

“For me, it’s a win-win”, says Frank. “I pay the annual premiums on the policy using money from my RRIF. My charitable receipt for my donation

helps reduce my income taxes.” Moreover, Frank is pleased to know that when he dies, The Mission will receive a significant gift that will be much larger than any he could have made during his lifetime. He also has the satisfaction of knowing he will be helping an organization he believes strongly in. *Cont’d on page 4*

Recently, Frank needed to update his estate plans. He contacted his financial advisor for help, and together they prepared Frank’s new financial plan. During the process, his advisor suggested something Frank had never heard of before — arranging a gift of life insurance for a charitable organization. Upon learning how it worked, Frank took the advice seriously. His advisor then helped him turn the idea into a reality. And it was an easy decision for Frank to make The Ottawa Mission Foundation the policy’s owner and beneficiary.

## SATISFIED—AND HAPPY! CONTINUED

Frank has left his future gift undesignated. He is confident that The Mission will use it wisely where the need is greatest. Although he would like to see the day when The Mission is no longer needed, he knows that won't happen soon and so he encourages others to consider a legacy gift. "If you believe in The Mission's work and if circumstances are right for you," says Frank "consider making a gift of insurance for The Mission. You'll be glad you did. I certainly was."

**If the idea of making a gift of life insurance or some other form of legacy support resonates with you, please contact Angie Kelly, Director, Major and Planned Giving at 613.234.1155 ext 426 or by email at [akelly@ottawamission.com](mailto:akelly@ottawamission.com). She would be pleased to help you.**

Thank you, Frank, for your outstanding support of The Mission, both now and in future. Gifts like yours are life-changing for people who are homeless and in need.

*\* Frank is a pseudonym. Although our kind donor wishes to remain anonymous, he is happy to share his story in the hope that others might explore this giving option to The Ottawa Mission Foundation.*



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# HOW TAX BENEFITS CAN HELP YOU HAVE AN EVEN GREATER IMPACT



When people leave a gift in their Will to The Ottawa Mission, they do so for unique and personal reasons. Some want to support The Mission's addictions and trauma treatment programs or the primary care clinic. Others value the education and job training programs provided. Still others want to support the Mission's in-shelter palliative care hospice - the first such hospice in Canada.

A gift in your will can also generate significant tax savings for your estate. While this may not be your primary reason for leaving a legacy for The Mission, the beneficial tax implications may even allow you to give more. Here's how it can work.

With a gift in your will for The Mission, your estate receives a charitable tax receipt for the full amount of your gift. Your executor (trustee) may then use that receipt to reduce your estate's tax liability.

## What might the tax impact be for, say, a future gift of \$100,000?

- **The Ottawa Mission Foundation receives the full \$100,000 and will issue a tax receipt to your estate for that amount.**
- **Assuming a combined marginal federal and provincial income tax rate of 46.4% (for taxable income levels between \$147,667 and \$150,000 in Ontario), the estate could save up to \$44,600 in taxes.**
- **Your gift of \$100,000 may cost your estate as little as \$55,400. If we change the facts and illustrate the same example for an individual in the top combined federal and provincial income tax rate of 53.53% (for taxable income**

**levels in excess of \$220,000 in Ontario), the tax savings could be as high as \$50,350 costing your estate only \$49,650.**

- **Further, should your executor donate securities with capital gains, your estate will receive an even greater tax deduction that will enable more funds to be distributed to your beneficiaries.**

Your executor can use the tax credits against the income taxes on your estate. There are other benefits as well. You will have the satisfaction of knowing you have established a gift that will help people who are homeless that The Mission serves annually. You retain the principal of your gift until your passing and, because a gift in your will is revocable, you may change your mind at any time.

Whatever your personal reasons, a gift to The Mission in your will is certain to make a life-changing difference to people in need in the future. Thank you!

*This article was written by Eric Mia, CPA, CA, a member of The Mission's Legacy Circle Allied Professionals Network. Eric is a tax accountant with McIntyre & Associates Chartered Professional Accountants, where he provides tax planning and compliance services for individuals, corporations, trusts and estates. His expertise also includes corporate reorganizations, estate planning and tax research.*

*Eric holds a graduate degree in public accountancy from McGill University, a BA from Bishops University, and has successfully completed the CPA In-Depth Tax Course. Eric is on the board of the Ottawa Estate Planning Council and is a member of the Canadian Tax Foundation.*

## CREATING TOMORROW'S GIFT TODAY

The Ottawa Mission gratefully receives outright gifts, including gifts of cash and securities, which are put to use right away to fund critical, life-changing programs and services. Another way you can help people in need is by creating a deferred or legacy gift - a gift that you establish now, but we receive in the future.

Here are two ways you can leave a legacy gift to help people in need in the future.

### Gifts in Your Will

Most legacies are those established in your will and are distributed with the rest of your estate on your passing. In so doing, you may often make a more substantial gift from your assets than you could manage during your lifetime.

Gifts in your will are deemed to have been made in your year of death. Because of this, The Mission will issue your estate a charitable tax receipt for the full amount of your gift, which will help reduce any taxes owed.

Future gifts may be for a fixed dollar amount, a percentage of your estate, or for a portion of your estate's residue after other legacies have been distributed. The choice is yours.

### Life Insurance

Giving a new or gifting an existing insurance policy allows anyone to make a sizable gift to The Mission with often only a small monthly or annual outlay. You will receive tax benefits during your lifetime. For example, when you pay the monthly premiums on a gift of insurance, The Mission will give you a charitable tax receipt for all premiums you pay and because you are paying the policy's premiums out of your current income, a gift of insurance will not reduce your estate's assets. When you make The Mission the beneficiary of an insurance policy you own, we will issue your estate a tax receipt for the amount of money received. Moreover, a gift of life insurance goes directly to the beneficiary, is not considered part your estate and is therefore not subject to probate fees. For additional information, check out our website at [www.ottawamission.com/legacycastle](http://www.ottawamission.com/legacycastle)

Whatever legacy you choose to leave will be easy to arrange and can have a significant impact on the lives of people in need in the future. Best of all, a legacy gift means you will continue to be a vital contributor to The Mission even after you are gone.