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the FUTURE

You +  Hancock County
Habitat
for Humanity®

SAMPLE PLANNED GIVING LANGUAGE & INSTRUMENTS

Please consider this information as a starting point; consult with a financial advisor or tax attorney to ensure that you receive maximum tax benefits, comply with state laws, and that your wishes are accurately reflected in necessary legal documents.

GIFTS BY BEQUEST

After specifying gifts to your other beneficiaries, the following sample language may help you and your attorney when drawing up a bequest which meets your needs:

Estate Percentage, Residue or Cash Will or Trust Bequest Language:

"After taking care of all expenses, debts and other provisions, I give, devise and bequeath to Hancock County Habitat for Humanity, a non-profit corporation with administrative offices currently located at 21 School House RD, Ste. 20, Orland, ME 04472 [with a mailing address of PO Box 343, Ellsworth, ME 04605] ___ percent of the rest and residue [or \$___ if a specific amount or specific asset(s)] of my estate as an unrestricted gift. Organization Tax ID/FEIN: 01-0443774."

Note: Generally, a percentage bequest is the best way to ensure that your gift keeps pace with inflation.

To Designate the Use of the Gift:

Change "an unrestricted gift" in the last line of the sample above to "a gift designated, but not limited to, the following special purpose/program: _____. Organization Tax ID/FEIN: 01-0443774."

Contingent Beneficiary Language:

You can also make Hancock County Habitat for Humanity a contingent beneficiary, in the event that your beneficiaries do not survive you or disclaim/refuse your bequest. After specifying your other beneficiaries and their bequests you can add:

"In the event my beneficiaries do not survive me or disclaim my bequest, I direct my trustee to pay or transfer the share to which such beneficiary would otherwise be entitled, to Hancock County Habitat for Humanity, a non-profit corporation with administrative offices currently located at 21 School House RD, Ste. 20, Orland, ME 04472 [with a mailing address of PO Box 343, Ellsworth, ME 04605] ___ percent of the

rest and residue [or \$___ if a specific amount or specific asset(s)] of my estate as an unrestricted gift. Organization Tax ID/FEIN: 01-0443774.”

INVESTMENT ASSETS

Gift of stocks, bonds, and mutual funds may provide significant tax advantages and can be given during your lifetime or in your will. You may give the gift of stock with an electronic transfer of securities directly to Hancock County Habitat for Humanity.

Investment Asset Will or Trust Bequest Language:

“I give, devise and bequeath to Hancock County Habitat for Humanity, a non-profit corporation with administrative offices currently located at 21 School House RD, Ste. 20, Orland, ME 04472 [with a mailing address of PO Box 343, Ellsworth, ME 04605] _____ shares of common stock of _____ owned by me at my death as these shares shall exist at the date of my death, as an unrestricted gift. Organization Tax ID/FEIN: 01-0443774.”

STOCK DONATION instructions may be found by [clicking here](#).

WHAT IS A BENEFICIARY DESIGNATION?

When you open a financial account or insurance policy, you’re asked to designate a beneficiary of that account. Retirement accounts, investment accounts, bank accounts, life insurance policies, and certificates of deposit all require that you designate someone to receive the account assets after your lifetime. These assets transfer outside of a will or trust, through beneficiary designation forms you completed when the accounts were opened.

Beneficiary Designations:

In order for you to list our organization as a beneficiary on an asset account such as life insurance or individual retirement account, you will need our legal name [Hancock County Habitat for Humanity] and Tax ID number/FEIN [#01-0443774]. Some forms may also ask for our address as well: Our administrative offices are currently located at 21 School House RD, Ste. 20, Orland, ME 04472 [with a mailing address of PO Box 343, Ellsworth, ME 04605].

Retirement Assets:

IRAs and 401(k)s may be heavily taxed when inherited, making them an excellent charitable bequest opportunity. Ask your account custodian for a beneficiary designation form to name Hancock County Habitat for Humanity.

Note: Income taxes to your beneficiaries on retirement assets can be as high as 35%. Because Hancock County Habitat for Humanity is tax exempt and eligible to receive the full amount of the asset, it bypasses income tax.

Life Insurance:

Hancock County Habitat for Humanity can be named as the sole, partial, or contingent beneficiary of a life insurance policy. By transferring ownership of a policy to Habitat, you can leave a gift that will not be delayed by estate probate. This may translate into a large gift (and tax deduction) with little cost to you.

REAL ESTATE

Giving a home or land supports our core mission and may provide excellent tax benefits. Essential to Habitat's mission, a home is community, commitment and a brighter future. Property may be gifted by signing a deed transferring ownership to Habitat, placing in trust, or left in your will.

Property or Real Estate Will or Trust Bequest Language:

"I give, devise, and bequeath to Hancock County Habitat for Humanity, Inc., a non-profit corporation with administrative offices currently located at 21 School House RD, Ste. 20, Orland, ME 04472 [with a mailing address of PO Box 343, Ellsworth, ME 04605] all of the right, title and interest in and to the real estate located at ADDRESS OR DESCRIPTION OF PROPERTY. Organization Tax ID/FEIN: 01-0443774."

For additional information about what types of Real Estate Hancock County Habitat will consider for acceptance, please click here.

CHARITABLE GIFT ANNUITIES

A charitable gift annuity allows you to make a generous gift to charity now and receive an income stream annually, quarterly, or monthly for the rest of your life with some immediate tax benefits. If you fund the annuity with a long-term, appreciated asset, you will also get a partial reduction in capital gains tax.

Charitable deferred gift annuities may earn a higher return rate than you're receiving on a municipal bond, CD or savings account.

Your gift passes to Habitat outside of the estate process.

CHARITABLE REMAINDER TRUSTS AND CHARITABLE LEAD TRUSTS

One of the best options to satisfy your philanthropic goals may be a charitable trust if your interests are to:

1. Efficiently transfer assets to your loved ones (retaining the assets to pass on), and
2. Reduce tax liability on your assets while making a charitable impact.

A charitable remainder trust provides an income stream for the donor, and upon passing, the designated charity receives what is left in the trust.

A charitable lead trust, on the other hand, is essentially the inverse of a charitable remainder trust. It is an irrevocable trust designed to produce a stream of funds for charity, and after a specified period of time or upon the donor's passing, the remaining trust principal is distributed back to the donor or their heirs or other beneficiaries.

Additional resource material for trusts may be found at: www.irs.gov/charities-non-profits/suggested-language-for-trusts-per-publication-557

As you begin or revise your estate plan, we hope you will consider creating a legacy of helping individuals and families overcome housing instability—leading to life-changing results for the Habitat Partner(s) and for entire communities.

With the help of an advisor, you can include Hancock County Habitat in your estate. You can give a gift of any amount, there is no minimum amount required, and you can change your beneficiaries at any time.

If at any point in time and for any reason, you wish to make changes to include Hancock County Habitat for Humanity in your will, you can easily amend it by using a codicil. A codicil is a document your attorney can prepare to amend your will or trust without rewriting the entire document. The codicil adds a new gift to Hancock County Habitat for Humanity while reaffirming the other terms of your will.

Most gifts will cost you nothing in your lifetime and may even earn some income.

IRS Group Exemption Information: As noted at the bottom of each page of our website, Hancock County Habitat for Humanity, with employer identification number 01-0443774, is considered a subordinate under the group tax exemption umbrella of Habitat for Humanity International, Inc. ("HFHI") under Section 501(c)(3) of the Internal Revenue Code. The group exemption number assigned to HFHI, our parent organization, by the IRS is 8545, and their EIN is 91-1914868.

Our organization doesn't appear on the IRS's Exempt Organizations Select Check site [<https://www.irs.gov/charities-non-profits/exempt-organizations-select-check>] as we are a subordinate under Habitat for Humanity International and fall under their group exemption number, searchable by their EIN. (A few other Maine affiliates actually do appear separately, which can get a bit confusing!)

All donations made to Hancock County Habitat for Humanity are tax deductible to the full extent of the law. Donations made by constituents in our service area through our parent organization, HFHI, do not necessarily funnel their way back to our local affiliate, but rather must be designated specifically to us and are then sent after HFHI takes an 11% administrative fee out of the donation. **Please consider donating locally and directly.** Thank you!