

# Charitable Lead Trust

Giving back to your community and your loved ones



## Getting started

To start your charitable lead trust, you can give cash, appreciated stocks, real estate or other assets.

The Saginaw Community Foundation handles all the administrative details and can work with your professional advisor to establish the terms of the trust.

By giving through a charitable lead trust, you are able to support both your community and your beneficiary.

To get started, meet with your professional advisors or contact the Saginaw Community Foundation for more information.



**Saginaw**

community foundation

1 Tuscola St., Suite 100B • Saginaw, MI 48607  
(989) 755-0545 • Fax (989) 755-6524

A charitable lead trust enables you to transfer assets to your beneficiary(s) with a reduced tax burden. A trust makes a fixed payment to the Saginaw Community Foundation for a specified number of years or until your death.

During its term, the trust can be managed expertly by experienced trust professionals, which may help your trust investments grow over time. When the trust terminates, its final assets are transferred to those you designate; any growth in the trust passes to recipients, often with significant transfer-tax savings.

A charitable lead trust entitles you to a number of financial benefits. It shelters investment earnings from tax and offers gift, estate and generation-skipping tax benefits.

For example, trust assets are removed from your estate for estate tax purposes. You also may capture future gift tax deductions. However, at the time the trust is established, you may owe gift tax on the present value of your gift to the final beneficiary.

You have several options when establishing a trust:

### Charitable lead trust

You can create a charitable lead trust during your life or through your will. This kind of trust contributes to charity through the foundation, either for a number of years or for your lifetime.

### Charitable lead unitrust

A charitable lead unitrust makes annual distributions of a fixed percentage of the trust assets to the charitable fund you establish.

### Charitable lead annuity trust

If you create a charitable lead annuity trust, the charitable fund you establish will receive a fixed dollar amount each year.

For more information and ideas on ways to integrate your financial planning with charitable giving, ask your financial advisor or contact Saginaw Community Foundation at (989) 755-0545.