



A GUIDE TO PLANNED GIVING



## TABLE OF CONTENTS

About Elant.....	3
Our Challenge.....	4
Planned Giving at a Glance.....	5
Making A Wise Decision.....	6
Making A Pledge.....	7
Charitable Lead Trust.....	8
Charitable Remainder Trust.....	10
Bequest.....	12
Life Insurance.....	14
Information Request Form.....	15

## ABOUT ELANT

Through innovative programming and a steadfast commitment to our mission, Elant, Inc. has become a leading provider of services for senior adults and the chronically ill.

We've grown from a 120-bed nursing home, established in 1985, to a comprehensive system of campuses that provides a full range of health and housing services. On any given day our 1,200 employees serve as many as 3,500 patients and residents across the Hudson Valley through Elant's network of skilled nursing facilities, assisted living services, adult day care services, sub-acute and rehabilitation services, and community health services.

Elant Foundation – a not-for-profit 501(c)(3) organization – was created to secure funds to enhance the quality of life of those individuals served by Elant and its not-for-profit affiliates. All charitable contributions in support of Elant are handled by the Foundation.



## OUR CHALLENGE

In 1900, the average life expectancy in the United States was 47 years; 100 years later – at the turn of the 21st Century – it was 81. Today, an estimated 35 million Americans – 12.4 percent of the population – are over 65, and the ranks of those 85 and above have tripled since 1960. These numbers are expected to double by 2030.

The Elant Foundation was established to help respond to this dramatic growth in population by supporting quality health care and housing for older adults and chronically ill people of all ages.

This work is accomplished through a variety of fundraising activities – annual appeals, grant seeking, major and planned gifts, and special events – aimed at corporations, private and public foundations, and individuals.

**Because the needs of Elant's residents are great, the Foundation continuously pursues ways to help serve its population the best way possible year after year.**

Contributions to the Elant Foundation are used to fulfill a wide array of needs that include:

- The creation and implementation of innovative programming for seniors and those chronically ill;
- Facility improvements and space renovations that contribute to culturally and intellectually stimulating residential environments; and
- Educational scholarships for the development of our long-term care workforce.

The Foundation raises funds to improve the quality of life of Elant residents. For example, several recent equipment purchases include a NuStep, treadmills, and Continuous Passive Motion machines, which help assist our population during their rehabilitation programs. These fitness-focused items are designed to help increase endurance, strength, and range of motion.

## PLANNED GIVING AT A GLANCE

A growing number of donors wish to continue Elant's legacy of health and housing excellence for future generations by including a gift to Elant Foundation in their estate planning. Aside from tax advantages associated with planned giving, making a deferred gift allows you to support a favorite charity – often with a higher amount than otherwise possible – without jeopardizing current or future income.

While the charitable gift annuity is a common method of planned giving, charitable trusts and bequests are also popular tools.

The Elant Foundation staff can also assist you with gifts of life insurance and other options.

By including Elant in your estate planning, you have the opportunity to ensure that outstanding health and housing services continue to enrich the lives of older adults and chronically ill people of all ages for generations to come.

While we encourage contributions of cash, appreciated securities, and real estate because they make an immediate impact, a planned gift often provides an opportunity for a donor to make a larger gift to Elant than ordinarily possible.





***It is essential***  
*that any person considering a planned gift seek the advice of a professional financial planner, tax specialist, and/or attorney.*

## MAKING A WISE DECISION

Planning a gift to Elant should be a rewarding experience.

Throughout the process, and before you make a final decision regarding your planned gift, you should ask yourself a few questions.

- **What are my financial needs?**
- **What impact do I want my gift to have at Elant?**
- **What assets – cash, appreciated securities, or real estate – do I have available to fund my gift?**
- **What is the best way to make my gift and fulfill my family and charitable objectives?**

There are many ways to customize your planned gift program. Most important is that you make a decision that is right for you and your family, and, at the same time, help make a meaningful difference at the charity of your choice.

Plan carefully and seek professional advice. In the end, you should have created a win-win situation.

## MAKING A PLEDGE

A pledge is a "promise to pay" and can be a restricted or unrestricted gift.

The simplest form of a planned gift is making a pledge to Elant. You decide how much you want to give – cash contributions – over a period of time, and determine the frequency of your gifts. You then make payments until your pledge is fulfilled.



## EXAMPLE OF A PLEDGE

Helen Davis's mother, Margaret, lives in one of Elant's adult homes. Ms. Davis would like to purchase the furniture, aquarium, audio equipment, and wide-screen television for the new lounge area being developed for residents. However, Ms. Davis does not have all of the money that she would like to give to Elant at the moment.

After meeting with staff at the Elant Foundation in December,

Ms. Davis makes a commitment to the project by giving an immediate contribution of \$4,000 toward her \$10,000 pledge. As agreed, Ms. Davis will make a \$500 contribution for an additional 12 months, thus meeting her obligation.

**The result: At the time of her final pledge payment, work on the new resident lounge at the adult home is completed.**

*The names in this example are fictional. Any similarity to real persons is purely coincidental. The above-mentioned scenario has been provided for demonstration purposes.*

## CHARITABLE LEAD TRUST

*A charitable lead trust is a unique way to make a "temporary gift" of income to Elant and eventually pass assets to family members.*

If your current income exceeds your personal financial requirements, a charitable lead trust – essentially the mirror image of the more familiar charitable remainder trust – offers the ability to benefit Elant without depriving family members of the ultimate ownership of the donor's accumulated wealth.

You create a charitable lead trust by transferring assets – typically publicly traded securities, closely held stock, or income-producing real estate that is likely to rise in value – to a trustee. In turn, the trustee, either corporate or private, is directed to pay an annual fixed or variable income to a designated charity during the

term of the trust, usually a set number of years determined by the donor.

**The advantages of establishing a charitable lead trust include:**

- **Preservation of family assets**
- **Reduction in taxable income**
- **Gift and/or estate tax savings**

Upon the expiration of the trust, your trustee is obligated to distribute the principal of the trust to your children, grandchildren, or other beneficiaries.

## EXAMPLE OF A CHARITABLE LEAD TRUST

James and Angela Fuller would like to eventually help pay their grandson's college tuition. They also want to contribute to an endowment through the Elant Foundation in memory of Mrs. Fuller's mother who recently passed away.

After talking with family members and an estate planner, they decide to create a \$100,000 charitable lead trust that will pay Elant \$5,000 per year for 10 years, for a total of \$50,000 to the charity of their choice.

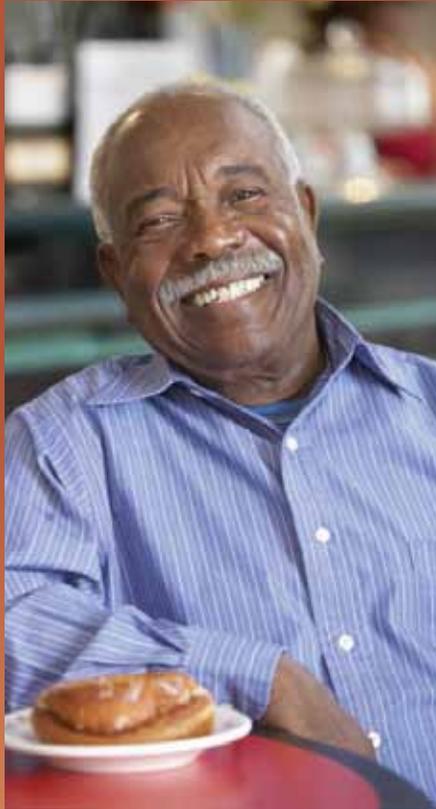
**The result: The trust, earning 8 percent per year in each of the 10 years, yields approximately \$143,450 after payments to Elant. These funds are distributed to the grandson for college expenses when he reaches age 18 with little or no transfer taxes owed by Mr. and Mrs. Fuller.**



*The names in this example are fictional. Any similarity to real persons is purely coincidental. The above-mentioned scenario has been provided for demonstration purposes. Numbers will vary depending on individual circumstances and life expectancy.*

## CHARITABLE REMAINDER TRUST

A charitable remainder trust is a gift split into two parts: your right to lifetime income and Elant's right to ultimately claim the principal.



The advantages of a charitable remainder trust include:

- Current income tax deduction and capital;
- Gains tax savings;
- Lifetime income; and
- Estate tax relief.

To establish a charitable remainder trust, you make an irrevocable contribution of cash or other property. Elant reinvests the assets and manages the trust as a separate account. The trust pays you an income for life or for a set term not to exceed 20 years. On the death of the last beneficiary or at the end of a term of years, the trust remainder (principal) is distributed to Elant for the purpose specified in the trust agreement.

## EXAMPLE OF A CHARITABLE REMAINDER TRUST

Andrew and Claire Parker paid \$20,000 to purchase XYZ stock. The stock is now worth approximately \$460,000, but it pays essentially no dividend.

The Parkers, wanting to increase their income, face capital gains tax, leaving them fewer dollars than they had planned to reinvest.

After consulting with their accountant and tax advisor, Mr. and Mrs. Parker decide to fund a charitable remainder trust with their XYZ stock. Because the trust will benefit Elant – a not-for-profit, tax-exempt institution – the entire proceeds can be sold and reinvested by the trust without incurring capital gains.

Assuming they are both 65 years old, and in the 36 percent income tax bracket, the Parkers receive a deduction of more than \$100,000, saving them over \$40,000 in taxes. With the trust paying 6 percent, Mr. and Mrs. Parker enjoy annual payments of almost \$24,000, which may vary over time depending on the investment strategy of the trust.

**The result: When they both pass away, the Parkers have avoided costly estate taxes and most importantly, have established a significant endowment fund at Elant.**

*The names in this example are fictional. Any similarity to real persons is purely coincidental. The above-mentioned scenario has been provided for demonstration purposes. Numbers will vary depending on individual circumstances and life expectancy.*

## BEQUEST

One of the most thoughtful ways to ensure Elant continues its mission is to make a gift through your will. Your bequest can create or compliment an endowed fund or a non-endowed fund. An endowed fund exists in perpetuity, with only the income being spent for the purpose specified in the bequest. An endowed fund can be named to memorialize yourself, family members, or friends. A non-endowed fund can also be established and is spent until it is depleted.

There are several variations of bequests.

- **Specific dollar amount:** You designate a specific dollar amount, percentage, or specific property.
- **Residuary estate:** Your estate pays all debts, taxes, expenses, and specific bequests and the remaining amount is transferred to Elant.

- **Contingent:** You can ask that Elant receive all or a portion of your estate only under certain circumstances.

In each case, the legal entity that should receive the bequest is "Elant Foundation, Inc." of Goshen, N.Y.

Sometimes it is advisable to establish a trust in the will that pays income to an heir for life, or for a period of years, rather than simply giving a lump sum. When a gift to Elant is part of the plan, the trust could take the shape of a qualified charitable remainder trust, thereby saving estate taxes and leaving more assets to produce income for the heir. Once the terms of the trust are met, whatever remains would be distributed to Elant.

## EXAMPLES OF A BEQUEST

*A bequest is, in every sense of the word, the ultimate gift – a legacy for the future.*

I give, devise, and bequeath to Elant Foundation, Inc. of Goshen, N.Y. 25% of the residue of my estate to be used for general purposes.

—or—

I give, devise, and bequeath to Elant Foundation, Inc. of Goshen, N.Y. the remaining amount of my residuary estate for the specific purpose of supporting the George W. Kohl Scholarship Fund for the advancement of nursing.

—or—

If my daughter, Janice N. Freeman, does not survive me, I give, devise, and bequeath the sum of \$100,000 to Elant Foundation, Inc. of Goshen, N.Y. for the purpose of establishing the Freeman Family Endowment in support of Elant adult homes, skilled nursing facilities, and retirement communities.



*The examples here are only suggestions, not required language for making a bequest to Elant. Please consult with your attorney before executing a will or living trust. Estate plans should be reviewed regularly because of changes in estate and tax laws or changes in a family's circumstances.*

## LIFE INSURANCE

The value of life insurance is usually to provide financial security for your loved ones in the event of your death. However, life insurance can be used for other purposes as well. Your gift of life insurance – restricted or unrestricted – to Elant could be a larger amount than provided through a bequest.



### The most common ways to make a gift through life insurance are:

- **Using an existing policy:** You may have a life insurance policy that you no longer need.
- **Transferring ownership of an existing policy:** You can receive a tax benefit by making Elant both owner and beneficiary of your life insurance policy.
- **Purchasing a new policy:** You can buy a new life insurance policy to support Elant in the future with an irrevocable gift.

There are significant tax benefits when you allow a charity to own your policy, or by making the charity the beneficiary.

Life Insurance is a meaningful and versatile planned giving option, but because there are many types of policies and means of gifting their proceeds, it can become complicated. Always review your plans with a professional advisor.

## WOULD YOU LIKE TO HELP THE ELANT FOUNDATION MAKE A DIFFERENCE IN THE LIVES OF ELANT'S RESIDENTS?

I am/We are interested in learning more about planning a gift to support Elant.

Please provide more information about the following planned giving instruments:

- Charitable Lead Trust
- Charitable Remainder Trust
- Bequest
- Life Insurance
- Annual Giving
- Capital Equipment or Gift Purchases
- Other \_\_\_\_\_
- Contact me to discuss

Name: \_\_\_\_\_  
*(please print)*

Address: \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_ Zip: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email Address: \_\_\_\_\_

There is no obligation on your part in requesting information regarding planned giving. Any information provided by you will be strictly confidential.

Please use the enclosed self-addressed envelope or call 845.360.1410. Thank you.





46 Harriman Drive  
Goshen, New York 10924  
[www.elant.org](http://www.elant.org)  
[elantfoundation@elant.org](mailto:elantfoundation@elant.org)