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| St. John’s Episcopal Church, Hopewell, VA |
| Gifts to the Church |
| Planned Giving & Stewardship Information |



Booklet Prepared in Lent 2022 by

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## **INTRODUCTION**

“All things come of thee, O Lord, and of thine own have we given thee.”

These words, recited many times when the offering is presented at the altar takes on new meaning when one becomes involved in stewardship work. Everything we call our own is really a gift from God. As Christians, we are called to be stewards of the resources God has entrusted us during our lifetime. We all share a responsibility to account for our lives and for the manner in which we have used the time, talent, and treasure with which God has so abundantly blessed us.

We are called to demonstrate our thanksgiving to God through our offerings of a portion of our time, talent, and treasure. Responsible stewardship requires discipline. Planning is a form of discipline. The plans we make today will not only enable the mission and outreach that is part of our life as Christians, but will eventually help us to grow in love as we seek and serve Christ. This is part of the baptismal covenant the we made with God.

After reading this booklet, we hope you will be interested in exploring how your gift(s) may further the work of Jesus Christ in the world. To explore these possibilities, we hope you will contact the Rector, a member of the Vestry, or even your tax consultant for further guidance in making arrangements of your temporal goods when our work on earth is finished.

Most of this booklet was written by Mr. R. Franklin Hawkins, Jr. who was the Treasurer and Director for planned Giving for the Diocese of Southern Virginia when I served as Director of Youth Ministries of the Diocese. I am reprinting much of his work here. As we say, “there is no reason to re-invent the wheel.”

The Rev. William B. Taylor, Jr.+, Rector

St. John’s, Episcopal Church,

Hopewell, Virginia

Lent, 2022

## **PHILOSOPHY OF STEWARDSHIP**

Christian Stewardship is an attitude about life which leads us to action, a manifestation of the depth of our relationship to Jesus Christ. It begins with the recognitions that life is a gift, not an achievement. It grows from the conviction that there is purpose for life; that the earth, our relationships, time, abilities and material resources are a trust of privilege and responsibility from God, meant to be used in His service for the benefit of all humankind. As faithful stewards, we know that the gift of life carries with it the need to use it and give it away. Thus, we experience the excitement of participation with God in living and sharing the full life God has given us.

## **PLANNED GIVING**

This planned giving program of St. John’s, Hopewell exists to educate and assist individuals and families in developing good stewardship of the accumulated assets with which we have been blessed by God. It is a ministry carried out by the Rector and members of the Vestry to give advice and counsel to persons as to how they can best make gifts to enhance the mission and ministry of the Church. The church used in this context is defined as either St. John’s Episcopal Church, Hopewell, Virginia, the Diocese of Southern Virginia, or any other church institution.

Planned giving can help to achieve the following: 1) contribute to a church or organization that one values, 2) make financial plans, 3) conserve assets, 4) provide inheritance for heirs, 5) provide a lifetime of financial security, and 7) reduce tax burden.

## **WHAT IS PLANNED GIVING?**

Much of our stewardship education focuses upon the giving of a percentage of our income each year to God for God’s work in the world. However, planned giving is that facet of stewardship that has to do with our responsibility for the accumulated assets of which we are the stewards. Property, savings accounts, investments, and insurance are some of the most common forms of accumulated assets. All too often this form of our treasure is left up to our survivors. As The Book of Common Prayer reminds us in a rubric on page 445:

“The minister of the Congregation is directed to instruct the people…about the duty of…all persons to make wills, while they are in good health, arranging for the disposal of their temporal goods, not neglecting, if they are able, to leave bequests for religious and charitable uses.”

Planned giving is the way to assure oneself that an estate amassed in the course of a lifetime is distributed in the desired manner. Through planned giving we are able to ensure that a responsible portion of our accumulated assets is returned to God in a way that will further God’s work in the world.

Planned giving is a major element in our exercising control over God’s blessings on us.

A person’s accumulated assets, or one’s estate, consist of everything one owns: real property (land and buildings), tangible personal property (cars, furniture, jewelry, etc.), and intangible property (savings accounts, stocks, bonds, life insurance, etc.)

Planned giving includes both immediate gifts that are made at the time of the decision to make the gift, and gifts that are deferred to a time in the future.

Such gifts can be made the parish, or a program of the Diocese, for example Chanco Camp and Conference Center or can be given for other church purposes such as Virginia Theological Seminary, Episcopal Relief and Development or the United Thank Offering.

The ministry of planned giving also addresses the long-range concerns of funding Christian outreach programs, such as St. John’s Beans and Rice Ministry. Jesus taught us that it is our responsibility as stewards of the abundance with which God has blessed us, to feed the hungry, provide shelter for the homeless, provide clothing for those who are without it, minister to those who are ill, and visit those in prison (Matthew 25: 35-40).

The nature of outreach programs that can be funded by planned gifts is diverse: half-way houses, aid for refugees, help for the aged, counseling centers, and support to combat hunger, for example. Lay ministries to shut-ins, nursing homes, hospitals, centers for the disabled, or prisons might also be funded.

In addition to enhancing our Christian outreach, planned gifts can also be used to endow the physical resources that have been entrusted to us by those in our parish who have preceded us. So many of our parish buildings are magnificent structures, and some are even landmarks, like St. John’s here in City Point. Very often these buildings place a heavy financial burden on the congregation. A planned gift could be designated to ensure the proper maintenance and/or restoration of the church building that has been the center of parish life.

Although St. John’s may have been the focus of your life in the body of Christ, you might wish to designate your planned gift for the work of one of the institutions of the Diocese. For example, a planned gift to Westminster-Canterbury, Jackson-Feild Home in Jarrett, Va., or Boys Home in Covington.

A gift to Virginia Seminary, or one of the other accredited Episcopal Seminaries will help ensure that those who feel called to serve God as an ordained minister continue to receive the theological education, they need to fulfill their calling. A gift to the Diocese of Southern Virginia for some aspect of the mission or outreach could be designated for Camp Chanco or a scholarship to attend camp (There is scholarship for the deceased wife Gayle M. Taylor of St. John’s Rector William B. Taylor for kids to attend summer camp at Camp Chanco, Campus Ministries, Christian Education, or support for clergy or congregations that require assistance. Finally, your gift could be designated for Episcopal Relief and Development so that your assets can be put to work helping those in need throughout the world.

In short, planned gifts made by loving Episcopalians will support the ministry of others as they share the Good News through the sacraments, as well as by word and deed, and as they serve those who are poor in body and/or spirit.

This booklet is designed to help explain the methods and opportunities available for planned giving, and the considerable advantages to donors in making such gifts to the Church, here at St. John’s, in the community, and other church institutions.

## **METHODS AND OPPORTUNITIES**

There are numerous ways to make planned gifts, and various types of property that are appropriate subjects for gifts. You can fund such gifts immediately, or you can defer funding until your death or the death of some other person who is dependent upon you. You can also designate the use of which you wish your gift to be applied. For example, you can make your gift to an endowment fund of St. John’s and specify that only the income from the gift be used.

A summary of some methods for planned giving follows.

## **IMMEDIATE LIFETIME GIFTS**

During your lifetime, you can make an immediate gift of property, such as cash, securities, real estate, or tangible personal property.

**Gifts of Cash**

Perhaps the simplest method of making a planned gift is by giving cash. Generally, if you itemize deductions in preparing your income tax returns, the value of the cash gift up to fifty percent (in some cases 20-30%) of your adjusted gross is deductible in the year of making the gift. In some cases, if your gift exceeds fifty percent of your ADI (adjusted gross income), the excess deduction can be carried forward to future years.

**Gifts of Appreciated Securities or Real Estate**

Another simple way to make a planned gift is by transferring stock or real estate to the parish, the Diocese of other church institution. Low yield securities or real property for which you no longer have use would be appropriate for such gifts. Gifts of time-share deeds would not be accepted by the Church, local or Diocesan as those properties have maintenance fees associated with them.

It is advisable to consult your tax adviser to determine tax advantages if you propose to make a gift of appreciated property.

**Gifts of Tangible Personal Property**

Tangible personal property such as furniture, office equipment and books may be donated to the parish, the Diocese of to another church institution and the full market value deducted on your income tax returns, provided the item that is donated has some clear use related to the church and will put that to use by the Church. The items must be accepted by the church, i.e., Priest or Vestry before the deduction can be taken. It cannot be assumed that the church will accept any furnishings or tangible property. Again, you should consult your tax advisor and intended recipient, if you are considering a gift of this nature.

## **LIFE INSURANCE**

Life insurance policies provide several simple methods for planned giving.

**Transfer of a Policy to the Church**

You can assign a policy on your life to the parish, the Diocese or to another church institution. The parish, Diocese, or other institution then becomes the owner and beneficiary of the policy, and, upon your death, the proceeds are paid to it. An amount approximately equal to the cash surrender value of the policy is tax deductible in the year of the assignment, if you itemize deductions. Further, the amount of the premiums that you pay after transfer of the policy is tax deductible in the year paid.

**The Church as Beneficiary**

You can name St. john’s, Hopewell, the Diocese, or other church institution as the beneficiary of a policy. You would not receive an income tax deduction, however upon your death, the insurance proceeds would be paid to the Church, and would constitute an estate tax deduction.

**The Church as Contingent Beneficiary**

If you have a dependent whom you want to name as the primary beneficiary of your insurance policy, you can name St. John’s, Hopewell, the Diocese, or other church institutions contingent beneficiary. The Church would then receive the proceeds of the policy after your death only in the event your primary beneficiary predeceases you.

**Purchase and Assignment of Life Insurance Policy**

You can purchase a life insurance policy, but name the Church owner and beneficiary of the policy. The premiums that you pay on the life insurance policy would be charitable deductions for income tax purposes.

## **GIFTS UNDER YOUR WILL**

Preparation of a will is one of the most important ways to plan for the disposition of your assets after death. You can use your will to ensure that a portion of those assets can be used for the work of St. John’s, the Diocese, or other church institution.

**Bequests**

In preparing your will, you can make an outright bequest of cash, securities, or tangible personal property to St. John’s, the Diocese or another church institution. By making a bequest, you ensure that a specific sum, percentage of the estate or a specific asset is given to the Church after your death. As with all planned gifts, you can specify how you wish the bequest to be used

Bequests in your will can take any of the following forms:

*Bequest to St. John’s, Hopewell – No Restrictions*

I give and bequeath \_\_\_ shares of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ common stock, if owned by me at the time of my death, to St. John’s Episcopal Church, 505 Cedar Lane, Hopewell, VA 23860. This gift is unrestricted and the Vestry of St. John’s may use and expend the same for the benefit of St. John’s Episcopal Church in any manner they deem appropriate.

*Bequest to be added to Endowment Fund –*

*Use Restricted to Income*

I give and bequeath the sum of \_\_\_\_\_\_\_\_\_\_\_\_\_ Dollars ($\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_) to St. John’s Episcopal Church located at 505 Cedar Lane, Hopewell, VA 23860. To be held and administered as part of the Endowment Fund of said church with distributions of income to be made as the Vestry or other governing board shall from time to time determine.

*Bequest for Special Purposes*

I give and bequeath the sum of \_\_\_\_\_\_\_\_\_\_\_\_\_ Dollars ($\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_) to St. John’s Episcopal Church located at 505 Cedar Lane, Hopewell, Virginia 23860 to be used for the following purpose(s)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

You can also make a gift of a specific real property to St. John’s, Hopewell, the Diocese, or other church institution by your will.

**Residuary Gifts**

If you wish to provide that St. John’s, Hopewell, the Diocese or other church institution receive a certain percentage of your entire estate after your death, you can provide for a gift of residue to the Church. A gift of residue in your will can take the following for, for example:

I give, devise and bequeath all the rest, residue and remainder of my estate, of whatever nature and wheresoever situate, to the following persons and charitable organizations in accordance with the percentage’s hereafter specified:

Twenty-Five Percent (25%) thereof to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Twenty-Five Percent (25%) thereof to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Twenty-Five Percent (25%) thereof to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Twenty-Five Percent (25%) thereof to St. John’s Episcopal Church located at 505 Cedar Lane, Hopewell, VA 23860, to be held and administered as part of the Endowment of said church, with distribution of income to be made as the Vestry or those administering the Endowment Fund shall from time to time determine.

## **LIFE ESTATE IN REAL PROPERTY**

If you are considering giving your personal residence to St. John’s, the Diocese, or another church institution at the time of your death, you may wish to deed the property to the church during your lifetime, but retain a “life estate,” or the right to live in your residence for the rest of your life. This sort of arrangement can provide you with an immediate income tax charitable deduction. It is, however, a more complicated legal procedure than the simple gift of real estate under your will.

## **OTHER METHODS OF GIVING**

Deferred giving simply means that you retain use of your property for your lifetime and/or the lifetime of a dependent, but, through your will or a contract, you irrevocably establish a gift to be made to St. John’s, the Diocese or another church institution in the future. Deferred giving may take the form of the life estate just described, a contribution to the Diocese of Virginia Pooled Income Fund, or several rather more complicated trust arrangements.

**Pooled Income Fund**

A pooled income fund is a fund managed by a given charitable organization. Individuals may make gifts to the fund, which are combined, or “pooled,” for investment purposes. Each donor and/or the donor’s designated beneficiary is paid a proportionate share of the fund’s net income for the duration of his or her lifetime.

The Episcopal Church Foundation (ECF) has such a fund.

You can make a gift of cash or securities to the Fund with a $2,500 minimum contribution. You can designate yourself to receive the net income from your contribution or name another beneficiary. At the time of death of the last living named beneficiary, your original contribution will be paid to any parish, diocese, national or international mission of the Church, or any church-affiliated organization you designate.

For the rest of your life and/or of your named beneficiary, you or your beneficiary receive income from the gift. The rate of return will fluctuate depending on investment performance, but it may be higher than you would be able to achieve from the assets donated. For example, if you donate low-yield appreciated securities to the Fund, you may be able to avoid capital gains tax on disposition of the securities, and receive higher annual income from the Fund than from the securities. In the year of the gift, you will receive an income tax deduction, if you itemize deductions. Furthermore, on your death, your estate will receive an estate tax deduction.

If you wish to make a contribution to the Episcopal Church Foundation Pooled Income Fund, the Rector can provide you and your financial advisor(s) with a packet from the Foundation’s Planned Giving Office containing the necessary documents. You can also go on-line and download more information at:

<https://www.ecf.org/uploads/pages/files/Pooled_Income_Fund_Booklet.pdf>

**Charitable Gift Annuities (CGA)**

A charitable gift annuity is a simple contract between you and the Episcopal Church Foundation. In exchange for your irrevocable gift of cash or securities, ECF agrees to pay one or two annuitants whom you designate a fixed annuity for life, and you will be entitled to an income-tax deduction in the year you make the gift. At ECF the minimum age to start receiving annuity payments is 55. However, you can establish a charitable gift annuity at a younger age and defer the start of annuity payments to age 55. The minimum amount to establish a charitable gift annuity at ECF is $5,000.

You will receive an immediate income-tax deduction for a portion of your gift, and your annuity is backed by all of ECF’s assets. For more information go on-line to download a booklet.

<https://www.ecf.org/uploads/pages/files/Charitable_Gift_Annuity_Booklet.pdf>

**Charitable Remainder Annuity Trust & Charitable Remainder Unitrust**

The Charitable remainder annuity trust and unitrust are forms of deferred giving that are generally only used when the amount of the gift is quite large usually $100,000 or more, and a corporate trustee is involved. A charitable remainder trust is a way to achieve your current and long-term financial, estate and philanthropic goals. A donor makes an irrevocable transfer of cash, stock, real estate or other assets to a trust which provides a tax deduction to the donor and produces income for the donor, or other beneficiaries, either for a fixed period of time of up to twenty years or until the donor or other beneficiary dies. At the conclusion of the trust period, the remaining principal assets will be distributed to your parish or other organizations, at least 51% must be given ultimately to Episcopal Church institutions.

A charitable remainder trust allows you to designate one or more beneficiaries of regular payouts from trust proceeds (for either a fixed dollar amount or a fixed percentage) during yours or another’s lifetime or for a period of time. A charitable remainder annuity or unitrust can be established under your will. You can specify a surviving spouse or other dependent as a lifetime income beneficiary. For more information go on-line to download a booklet.

<https://www.ecf.org/uploads/pages/files/Charitable_Remainder_Trust_Booklet.pdf>

**Charitable Lead Trust**

The charitable lead trust, another estate planning tool, enables you to transfer assets to a trust that pays its income to the church or church related organization for a set period of time. At the end of the term, the principal and all capital appreciation returns to you or others that you name.

## **ST. JOHN’S HOPEWELL ESTABLISHED FUNDS**

St. John’s, Hopewell has three established funds that you might like to so designate your gift.

**The Capital Reserve Fund** – This fund was established to fund capital replacement items such as air conditioners, roofing, painting, etc. so that when we have to replace them, it won’t take a major portion of the yearly budget. This fund was established in conjunction to a Capital Campaign waged during St. John’s 175th Anniversary in 2015. The fund presently has a balance of almost $202,000.

**The McCall Endowment Fund** – This fund was very generously established by Charles McCall, a longtime member of St. John’s, to fund work on the upkeep of property & grounds at St. John’s. The fund designates that St. John’s will only use the interest & dividends on the fund each year. The corpus will remain intact in perpetuity. The fund presently has approximately $100,000 invested.

**The St. John’s Endowment Fund** – This fund was established in 2015 by the Vestry to establish fund as a place where parishioners might like to place gifts to the church where the proceeds from the fund are used for parish and/or community or needs so designated from time to time by the Vestry and Rector of St. John’s. At present, the fund has about $10,400.00.

For gifts of $25,000 or more to St, John’s, Hopewell, an endowment fund can be established for general use to enhance the operating budget or for a specific use or uses for a certain amount of time or in perpetuity designated and named for or by the donor. For example, a fund might be established in your name for a scholarships or scholarship for young people at St. John’s attending college for tuition, sent to the specific school for a designated scholar. This is just an example of what your legacy can be through the Church. Amounts less than $25,000 will be deposited into the St. John’s Endowment Fund. But the sky is the limit on what can be accomplished through and by the Episcopal Church here in Hopewell and environs.

## **CONCLUSION**

If you wish to make a planned gift to St. John’s, Hopewell, the Diocese of Southern Virginia, one of its missions or other church institution, you should discuss the matter with your financial and legal advisors to determine the method that is most appropriate for your circumstances This is particularly important in determining the effect of such gifts on your taxes, a matter that can become quite complicated.

We welcome the opportunity to discuss with you and your financial or legal advisors your plans for a gift. We encourage you to contact us at an early stage in your gift or estate planning. Of course, there is never any obligation for any assistance, and all discussions are held in strict confidence of course.

Gifts to St. John’s, the Diocese of Southern Virginia, or to diocesan, national, or international church institutions can yield substantial tangible and economic benefits to the donor. Above all, your gift will enhance the mission and ministry of the Church, and will result in considerable spiritual and emotional rewards. As we have seen, the key to our lives as Christians is how we use our resources at our disposal while we are living and how they will be used after our work here on earth is done.

‘Walk in love as Christ loved us and

gave himself for us, an

offering and sacrifice to God.”

*Ephesians 5:2*

**“One man gives freely, yet gains even more;**

**another withholds unduly, but comes to poverty.**

**A generous man will prosper; he who refreshes**

**others will himself be refreshed.”**

* *Proverbs 11:24-25*