



GREAT LAKES  
BIBLE COLLEGE

[www.glbc.ca](http://www.glbc.ca)

# Planned Giving

A GUIDE TO ESTATE PLANNING AT  
GREAT LAKES BIBLE COLLEGE





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# What Are My Giving Options?

Planned giving is another way to respond to God's generosity, through both present and deferred gifts. When you make a planned gift, you give yourself peace of mind.

**I'd like to support GLBC and...**

**Reduce taxes  
within my estate**

Wills & Bequests  
Stocks & Securities  
Registered Retirement Funds  
Life Insurance  
Real Estate & Tangible Property

**Receive an immediate  
tax benefit**

Stocks & Securities  
Life Insurance  
Gifts of Residual Interest  
Real Estate & Tangible Property

**Reduce taxes on  
capital gains**

Stocks & Securities

Great Lakes Bible College already has a strong history of planned giving. In recent years, we have received two gifts of securities and two bequests in addition to many large sum donations. We invite you to speak with us to find the best fit for your specific circumstances and to ensure you feel confident investing your resources in our future.

# How to Give Back

After consulting with your family and your advisor, choose the donation method that best suits you.

If you are interested in making a bequest, insert this wording into your will:

**Specific amount bequest:**

"I DIRECT my trustee(s) to pay the sum of \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_ ) to GREAT LAKES BIBLE COLLEGE, currently located at, 4875 King St, Beamsville, Ontario, L3J 2J1 for its \*general purposes. The receipt of an appropriate officer of Great Lakes Bible College shall be a sufficient discharge of my Trustee(s)."

*\*general purposes—should you want to leave a gift to a specific fund of Great Lakes Bible College, please note it here. For instance, you may wish to give to the Bible Teacher Fund or the Sponsorship Fund.*

To donate through other giving vehicles or to give to a specific area, please contact GLBC Administration. We can help identify where to direct your gift, ensure the correct name is acknowledged as the benefactor, explain tax implications and help maximize your impact.

Thank you for your support!



You may make your gift in honour or in memory of any special person in your life. Or donate in your own name to pay tribute to your GLBC memories.

# Wills and Bequests

A bequest is a lasting gift from the heart with practical benefits to your surviving heirs. Your estate receives a tax receipt for the full amount of the donation, which may offset capital gains or other taxes due. You may designate the gift to specific funds, or allow Great Lakes Bible College to put it to work where it is most needed at the time. All undesignated bequests made to Great Lakes Bible College support emerging and unfunded priorities through our General Fund.

Bequests may come in the form of a percentage of your estate, specific cash amount, property, securities, or other assets. A charitable bequest has no effect on you financially in your lifetime.

All it takes is a simple clause in your will to leave a gift demonstrating your commitment to the work of the Great Lakes Bible College — and continue transforming lives long after you have gone. Your lawyer can include a simple clause naming the Great Lakes Bible College as a beneficiary. If you already have a will, the easiest, least expensive way to include a bequest is to add a codicil, where you specify your gift and name Great Lakes Bible College as beneficiary. The provisions of your existing will remain unchanged.

**Proper wording is vital to the validity of a bequest. Great Lakes Bible College recommends the following will clauses for your use:**

**See page 2 for a specific amount bequest clause.**

**Residual bequest:**

"I DIRECT my trustee(s) to pay (insert number that equates to percentage) parts of the residue of my estate to GREAT LAKES BIBLE COLLEGE, currently located at, 4875 King St, Beamsville, Ontario, L3J 2J1 for its \*general purposes. The receipt of an appropriate officer of Great Lakes Bible College shall be a sufficient discharge of my Trustee(s)."

*\*general purposes – should you want to leave a gift to a specific fund of Great Lakes Bible College, please note it here. For instance, you may wish to give to the Bible Teacher Fund or the Sponsorship Fund.*

# Gift of Life Insurance or Registered Plans and Retirement Funds

You can make a larger gift than you might expect possible by naming the Great Lakes Bible College as the owner and beneficiary of a new or existing life insurance policy. By donating a life insurance policy, you can make a substantial gift to a fund of your choice within Great Lakes Bible College. This type of gift can provide immediate tax benefits to you, as well as tax relief for your estate.

There are many ways to make life insurance part of your lasting legacy:

## **Existing policy**

If a policy you already own has outlived its original purpose (if, for example, your children have grown), do not cancel it—instead use it to help a ministry close to your heart by naming GLBC as a beneficiary for a percentage or for the full amount of the policy. Your heirs may ultimately benefit because your estate will receive a tax receipt (and substantial tax savings) for the value of the donation.

## **New policy**

You can also purchase a new policy to benefit continuing Christian education. Although the new policy has no current surrender value, should you make GLBC the owner and beneficiary of the policy, your tax benefits can increase dramatically. If it is structured properly, you will receive a tax receipt for premiums you pay. In addition, the amount of your gift will continue to grow as the cash surrender value of the donated policy increases.

## **Joint policy**

Perhaps you wish to name GLBC as beneficiary of a joint policy covering you and your spouse. This provides you the benefit of one premium payment instead of two; in addition, if the policy is structured properly, a tax receipt for payments made will be given. Proceeds will be paid to GLBC only after both parties have passed on.

## **Make Great Lakes Bible College the Owner**

Make GLBC the owner and beneficiary of a new or existing policy and the tax benefits can increase immediately and significantly. This option entitles you to a tax receipt annually for any premiums you subsequently pay.



# Gifts of Life Insurance or Registered Plans and Retirement Funds

## **Gifts of Life Insurance or Registered Plans made at the time of your death**

You cannot claim any tax credits during your lifetime if you name GLBC as the beneficiary of your life insurance in your will without transferring ownership of the policy. However, your estate will benefit from a tax credit if you name your estate as the beneficiary of the plan and make a bequest to GLBC in your will. The gift is treated as a charitable donation in the year of your death and is eligible for a tax credit on your final tax return or in the previous year's return.

## **Retirement Funds**

Retirement funds you no longer need can have a tremendous impact when donated to the ministry of GLBC. When you name GLBC as beneficiary, your estate will receive a receipt to offset taxes due from the distribution of the RRSP or RRIF, which are among the most heavily taxed assets you own.

By naming GLBC as the beneficiary to your registered plan, the plan does not form part of the estate assets that require probate. This may result in significant savings in some provinces where the fee is charged on the value of the estate. A beneficiary designation can be made directly on the RRSP or RRIF application form and can be changed only by the annuitant.



# Major Gifts, Endowments, and Pledges

Building your legacy through Great Lakes Bible College is an act of stewardship; a means to ensure that your commitment to good works continues well into the future. And there are so many ways to give. Besides wills, life insurance, and securities, you may also choose to donate a retirement fund. Or you may wish to use assets to complete an outright gift of cash or to establish an endowment in your name or that of a loved one.

## A Major Gift

When you make an “outright gift” of cash or property to GLBC, it goes to work the moment it is given. Your gift provides vital support for the school. An outright gift gives you the satisfaction of seeing your gift at work and knowing that lives are being touched right now because you care about the work of GLBC.

The Canada Revenue Agency’s (CRA) charitable donation tax credit means that your gift is worth more to the School than its actual net cost to you. Each year a percentage of the value of your accumulated donation receipts — 15% for the first \$200 and 29% thereafter — can be subtracted from the federal income tax you owe. Your provincial taxes will also be reduced. Depending on your provincial rate, the combined tax savings could be as much as 50% of your contribution. You can claim eligible amounts of gifts to a limit of 75% of your net income.

In any one year, you may claim:

- donations made by December 31 of the applicable tax year;
- any unclaimed donations made in the previous five years; and
- any unclaimed donations made by your spouse or common law partner in the year or in the previous 5 years.

For donations made after March 20, 2013, qualifying first-time donors may receive an additional federal tax credit of 25% on the first \$1,000 of monetary donations.



# Major Gifts, Endowments, and Pledges

## Endowment funds

Typically, we recommend donations be made to our General Fund, as this allows the flexibility to put donations to work where they're most needed.

On the other hand, Endowment funds are also an option when thinking of very large donations. Endowments increase in value over time creating an enduring and vibrant legacy. You can establish your personal endowment fund with a one-time donation, a pledge over time, or through a bequest in your will. Your fund can be in your name, your family's name, or you can honour a loved one.

Your named endowment fund can be established to support specific ministries or, you may allow us to use the funds where most needed. Endowment funds will be invested by GLBC, and unless otherwise specified the investment income will be used to support our programs that are important to you, for generations to come.

A minimum of \$50,000 is required to set up a named endowment fund, however, it is possible to establish the fund with a gift of \$10,000 and pay the balance over the next five years.

## Wondering what to give?

We understand the financial demands facing you today. The following proportionate gift guideline may help you make your pledge decision.

|                  | 5 Year Pledge  |                     |                          | Annually       | Quarterly            | Monthly            |
|------------------|----------------|---------------------|--------------------------|----------------|----------------------|--------------------|
| Household Income | Amount Pledged | Approx. Tax Savings | Approx. After Tax Amount | Pledge Payment | Quarterly Equivalent | Monthly Equivalent |
| \$25k            | \$500          | \$230               | \$270                    | \$100          | \$25                 | \$8.33             |
| 25k-35k          | 1,500          | 690                 | 810                      | 300            | 75                   | 25.00              |
| 35k-50k          | 2,500          | 1,150               | 1,350                    | 500            | 125                  | 41.67              |
| 50k-75k          | 5,000          | 2,300               | 2,700                    | 1,000          | 250                  | 83.33              |
| 75k-100k         | 10,000         | 4,640               | 5,360                    | 2,000          | 500                  | 166.67             |
| 100k-150k        | 15,000         | 6,960               | 8,040                    | 3,000          | 750                  | 250.00             |
| 150k-250k        | 25,000         | 11,600              | 13,400                   | 5,000          | 1,250                | 416.67             |

# Gifts of Real Estate and Tangible Property

## Real Estate

A gift of real estate enables you to make a bigger charitable difference than you may have thought possible. It also helps you avoid estate taxes and minimizes or eliminates any burden placed on your heirs. Charitable gifts of real estate range from personal residences and vacation homes to rental properties, farmland, and commercially developed land. You may choose to donate real estate outright and receive an immediate tax credit or retain the use of the property during your lifetime and make a planned gift in the form of a Gift of Residual Interest.

We would be happy to work with you to determine how this valuable gift can be best used to meet both your charitable goals and financial needs.

## Tangible Property

This type of gift is welcome although not so straight-forward in tax benefits. Tangible property includes works of art, books, household furnishings, automobiles, equipment and collections. If you have objects in good condition containing significant value, but they are no longer of value to you, this type of gift is a possibility.

Depending on the value of the asset, such a gift to GLBC may require a legal document that transfers ownership. Opinions may be needed regarding the object's origins, history and chain of title/ownership. In addition, an appraisal by a qualified appraiser will be required from you as the donor as well as one for our records, especially for gifts exceeding \$1000.

## DISCLAIMER

*By choosing to donate property to Great Lakes Bible College, you acknowledge and agree that GLBC reserves the right to review and approve all proposed property donations before they are officially accepted and the acceptance of property donations is conditional upon GLBC's determination that the property is suitable and beneficial for our programs and activities. We reserve the right to decline any donation that does not meet our criteria or may pose challenges to our organization.*



# Stocks and Securities

When you donate a gift of securities to the Great Lakes Bible College, the taxable capital gain is eliminated and you receive a full tax receipt equal to the sale proceeds of your securities on the day they are received.

## **Eligible gifts of public securities**

These include: shares, debt obligations or rights listed on a designated stock exchange, a share of the capital stock of a mutual fund corporation, a unit of a mutual fund trust, an interest in a related segregated fund trust or a prescribed debt obligation.

## **Benefits of gifts of public securities:**

- The capital gain inclusion rate is zero when eligible securities are donated directly. If you sold the shares and donated the proceeds, you would have to pay capital gains tax.
- The value of your charitable tax receipt will be based on the market closing price on the day GLBC receives your public securities in its brokerage account.

# A Legacy of Impact

Your planned gift helps to provide Great Lakes Bible College with a sustainable resource that will be used to enhance our ministries now and in the future. Thank you for supporting our faculty and staff as they labour to impart serious and deep Biblical wisdom. Thank you for supporting our students as they develop their faith, personal maturity, and Christian commitment. Thank you for enabling our school to serve the Lord's Kingdom by providing workers for His harvest worldwide.

## **Gift Planning**

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## **DISCLAIMER**

*The information provided is general in nature, does not constitute legal or financial advice, and should not be relied upon as a substitute for professional advice. We encourage you to seek professional legal, estate planning and/or financial advice before deciding upon your course of action.*