



St. Anthony of Padua
CATHOLIC CHURCH

Planned and Legacy Gifts



Revised April 2024

Planned and Legacy Gifts

Leaving your legacy at St. Anthony of Padua Catholic Church will benefit our Mission and carry the church well into the next 25 years and beyond! By including St. Anthony’s as part of your long term financial and/or estate planning, a planned gift will ensure that St. Anthony’s will continue to thrive and serve as a beacon of faith to our community for years to come.

Note: The information in this packet is of a general nature and is not intended as legal advice. It should not replace the counsel of tax, legal or estate planning advisors.

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1 NAME ST. ANTHONY OF PADUA CHURCH IN YOUR WILL

1.1 OVERVIEW

A gift through your will or estate is the easiest gift you can make today. You may add a provision in your will or trust designating either a specific amount, a percentage, or all or part of the residue of your estate to St. Anthony's. Bequests provide flexibility in that they allow you to make a gift commitment now by including a provision in your will or trust while preserving the right to make changes at any time in the future should your circumstances change. Certain bequests in trust are not subject to estate taxation.

Your assets remain in your control during your lifetime. You can modify your gift to address changing circumstances. You can direct your gift to a particular purpose. It's a great way to help support the mission of St. Anthony of Padua!

IS THIS TYPE OF GIFT RIGHT FOR YOU?

A gift from your will or trust is for you if:

- You want to help ensure St. Anthony's future viability and strength.
- Long-term planning is more important to you than an immediate income tax deduction.
- You want the flexibility of a gift commitment that doesn't affect your current cash flow.

1.2 WILLS & TRUSTS: THE DETAILS

Your bequest to support our mission should be planned thoughtfully. Many good planning techniques are available, and you should choose the type of bequest that best suits your personal objectives.

For example, your bequest can be a stated dollar amount, or you can bequeath a specific asset to St. Anthony's. Some of our friends prefer to bequeath a certain percentage of the remainder of their estate – the amount that remains after paying all debts, costs, and other prior legacies. (*You can visit our Sample Gift Language Section for ideas*).

Adding a charitable gift to your will is easy! You don't have to rewrite everything; a simple document called a codicil is used to make amendments to an existing will. (See page 12 for sample).

1.3 SAMPLE GIFT LANGUAGE

• RESIDUAL GIFT LANGUAGE

A residual bequest comes to us after your estate expenses and specific bequests are paid:

- *I give and devise to St. Anthony of Padua Catholic Church, located in The Woodlands, TX, all (or state a percentage) of the rest, residue, and remainder of my estate, both real and personal, to be used for its general support (or for the support of a specific fund or program).*

• SPECIFIC GIFT LANGUAGE

Naming St. Anthony's as a beneficiary of a specific amount from your estate:



- *I give and devise to St. Anthony of Padua Catholic Church, located in The Woodlands, TX, the sum of \$_____ (or asset) to be used for its general support (or for the support of a specific fund or program).*

- **CONTINGENT GIFT LANGUAGE**

St. Anthony of Padua Catholic Church or its affiliates can be named as a contingent beneficiary in your will or personal trust if one or more of your specific bequests cannot be fulfilled:

- *If (insert name) is not living at the time of my demise, I give and devise to St. Anthony of Padua Catholic Church, located in The Woodlands, TX, the sum of \$ _____ (or all or a percentage of the residue of my estate) to be used for its general support (or for the support of a specific fund or program).*

- **RETIREMENT PLAN BENEFICIARY LANGUAGE**

You may name St. Anthony of Padua Catholic Church as a beneficiary of your IRA or other qualified retirement benefits. Donors should consult with their advisor regarding the tax benefits of such gifts.

Naming St. Anthony's as the beneficiary of a qualified retirement plan asset such as a 401(k), 403(b), IRA, Keogh or profit-sharing pension plan will accomplish a charitable goal while realizing significant tax savings. It can be costly to pass such assets on to heirs because of heavy tax consequences. By naming St. Anthony's as a beneficiary of a retirement plan, the donor maintains complete control over the asset while living, but at the donor's death the plan passes to support St. Anthony's free of both estate and income taxes.

Making a charitable gift from your retirement plan is easy and should not cost you any attorney fees. Simply request a change-of-beneficiary form from your plan administrator. When you have finished, please return the form to your plan administrator, and notify St. Anthony of Padua Catholic Church.

1.4 WILL YOUR GIFT BE RESTRICTED?

Gifts to St. Anthony of Padua Catholic Church under a will may be given for unrestricted use or used to support a particular program.

In balancing the wish of the donor to benefit a special purpose with our ever-changing financial needs, advisors recommend that restrictions be described as broadly as possible, avoiding detailed limitations. The more limited the restrictions of such a bequest, the more important it is to add a provision.



2 RETIREMENT ACCOUNTS

2.1 OVERVIEW

You can make a significant gift to St. Anthony's with retirement plan assets such as IRAs, 401(k)s and 403(b)s without adverse effects to your lifetime finances by naming St. Anthony of Padua Catholic Church as a beneficiary.

2.2 RETIREMENT PLANS: A WISE AND CHARITABLE GIFT

Planning for retirement is critical to your financial well-being. The good news is that you can make a significant gift to St. Anthony's with retirement plan assets without adverse effects to your lifetime finances. In fact, leaving retirement plan assets to us can be one of the best financial decisions you can make. Here's why:

Traditional retirement plans such as Individual Retirement Accounts, 401(k) and 403(b) plans are funded with pre-tax dollars. The contributions and earnings that you make to this account are not subject to income tax. When you reach the age of 59½, you can take money out of your retirement account without penalty, but you do have to pay ordinary income tax on the distributions. If funds remain in the account after you pass away, be aware that your heirs may have to pay inheritance and estate taxes in addition to income taxes.

Depending on the size of your estate, these combined taxes can be as much as 60% of the remaining account balance. Whatever portion of the assets is left to charity will be exempt from income, inheritance, and estate taxes.

An example of how to strategically leave your assets: When planning to support St. Anthony's and leave assets to loved ones, make certain that you leave your pre-tax assets to qualified charities and your other assets to your loved ones. This strategy assures that your heirs pay less tax on the assets that they receive.

Contact your advisor and complete the beneficiary designation forms to maximize the tax savings, take care of your loved ones, and leave a legacy at St. Anthony's.

2.3 DESIGNATE & DONATE

Ask the plan custodian for a T.O.D. (Transfer on Death) form. Some companies also call these forms beneficiary designation forms.

HOW IT WORKS

- Contact the plan custodian/ account holder about a T.O.D. or beneficiary designation form.
- Designate St. Anthony's to receive all or a portion of the assets held in the retirement plan.



BENEFITS

- Avoid the potential double taxation your retirement savings would face if you designated these savings to your heirs.
- Continue to take regular lifetime withdrawals.
- Maintain flexibility to change designation if your family's needs change during your lifetime.

2.4 THE "TAX-FREE" GIFT

The Qualified Charitable Distribution (also referred to as Charitable IRA Rollover Gifts) is an excellent way to show your support for St. Anthony of Padua Catholic Church and receive tax benefits in return. Whether you are planning your required minimum distribution (RMD) or not, consider making a gift from your traditional IRA to make the most of your charitable giving. You receive a tax benefit even if you take the standard deduction!

It's important to consider your tax situation before deciding whether to make a charitable contribution from your IRA. Be sure to share this gift plan with your advisor.

TO QUALIFY

- You must be 70 ½ or older at the time of the gift.
- Distributions must be made directly from a traditional IRA account by your IRA administrator.
- Gifts must be outright, meaning they go directly to St. Anthony of Padua Catholic Church. **Our EIN is 76-0545136.** Distributions to donor-advised funds or life-income arrangements such as charitable remainder trusts and charitable gift annuities do not qualify.
- Gifts from 401(k), 403(b), SEP and other plans do not qualify. Ask your financial advisor if it would make sense for you to create a traditional IRA account so you can benefit from an IRA Qualified Charitable Distribution.

TAX BENEFITS

- IRA Qualified Charitable Distributions are excluded from gross income for federal income tax purposes on your IRS Form 1040. In 2024 the maximum is set at \$105,000.
- For those who are at least 72, QCDs count toward the IRA owner's required minimum distribution (RMD) for the year.
- You could avoid a higher tax bracket that might otherwise result from adding an RMD to your income.

3 ENDOWMENTS

3.1 OVERVIEW

An endowed gift is a **permanent, self-sustaining source of funding**. Endowment assets are invested. Each year, a portion of the income of the fund is paid out to support the fund's purpose, and any earnings more than this distribution are used to build the fund's market value.



Naming St. Anthony of Padua Catholic Church as a beneficiary in your endowment and legacy planning provides you with the unique opportunity to make an enduring contribution benefiting our parish far beyond your own lifetime. Imagine the satisfaction of knowing your passion for St. Anthony of Padua Catholic Church will continue to impact the parish in meaningful ways for years to come!

3.2 WHY MAKE AN ENDOWMENT GIFT AND WHAT IS IT?

An endowed gift allows you to support areas and programs that are important to you in perpetuity. These areas and programs will receive an annual distribution of the income generated by your donation.

3.3 HOW DO ENDOWMENT GIFTS WORK?

Endowment gifts ensure the future of St. Anthony of Padua Catholic Church by creating an on-going income stream. This allows for financial stability and sustainability with oversight and transparency regarding the management of the funds.

St. Anthony of Padua Catholic Church has partnered with the Catholic Endowment Foundation of Galveston-Houston (CEFG). CEFG manages and administers all the Endowment Funds in the Archdiocese of Galveston-Houston. Each endowment is specifically earmarked to support a specific parish or project, (in this case, St. Anthony of Padua Catholic Church). St. Anthony's endowment's dividends, interest, income, proceeds, investments, and reinvestments shall be held, managed, and administered as a permanently restricted, perpetual endowment fund for the sole use of St. Anthony of Padua Catholic Church.

4 STOCKS AND INVESTMENT ACCOUNTS

4.1 OVERVIEW

You receive an income tax deduction for the fair market value of the securities on the date of transfer, no matter what you originally paid for them.

4.2 STOCKS & INVESTMENTS: YOU'VE PLANNED FOR THE FUTURE

Investment accounts hold cash or stocks for the long term. You may have a mutual fund or a brokerage account, which is held at a financial institution. The objective of these accounts is to achieve long-term growth, provide future income, or preserve capital. After your passing, the remaining account balance may be transferred to heirs or charity.

When you opened the account, you should have received a form that tells the financial institution what to do with the assets when you pass away. This form is called a "Transfer on Death" (T.O.D.) form. With it, you decide how your assets will be transferred. If you have not completed this form, ask the account custodian for a T.O.D. form, complete it, and share it with your advisor. You can also leave all or a percentage of the assets to St. Anthony of Padua Catholic Church. Any portion of your



investment account left to us will be exempt from estate and inheritance tax. You also avoid paying any capital gains on assets that have increased in value over the years!

HOW IT WORKS

- Contact your broker or investment account holder about a T.O.D. (Transfer on Death) or beneficiary designation form for mutual funds or other types of investment accounts.

BENEFITS

- You receive an income tax deduction for the fair market value of the securities on the date of transfer, no matter what you originally paid for them.
- You pay no capital gains tax on the transfer when the stock or share of investment account is sold.

5 BANK ACCOUNTS & SAVINGS BONDS

5.1 OVERVIEW

When you opened your checking and savings account at your bank, you signed paperwork describing how the bank account will work. Do you remember what will happen to the bank accounts after you pass away? Gifts through bank accounts or bonds are a meaningful way to begin your charitable legacy.

5.2 BANK ACCOUNTS & SAVINGS BONDS: THE DETAILS

P.O.D. is short for “Payable on Death.” The P.O.D. form tells the bank who will receive the funds remaining in the bank account when the account owner passes away. Your loved ones and/or St. Anthony’s may be listed on the P.O.D. form. It also keeps your bank accounts from becoming part of your estate, which may have to be administered by the probate system in your state.

HOW IT WORKS

- Contact your bank to complete or update your P.O.D. (Payable on Death) form for your checking, savings accounts, and jointly held accounts.
- Designate St. Anthony’s to receive the remaining account balance after your passing.

BENEFITS

- You maintain control and use of the account balance during your lifetime.
- Receive a charitable deduction, which will reduce any estate or inheritance taxes.
- St. Anthony’s receives the balance of the accounts to use according to your wishes.

5.3 JOINTLY HELD ACCOUNTS

You may have made someone a joint owner of the account. The joint owner may make deposits and withdrawals during your lifetime. The joint owner may also have “rights of survivorship,” meaning that he/she will automatically inherit the account when you pass away. Even if you have a joint account, you should complete the P.O.D. form to assure that the bank knows what to do with the



remaining assets when both account holders have passed away. This step will also assure that the account may not become part of a time consuming and costly probate process.

You can still designate and donate to our nonprofit, even if you have someone as a joint account owner.

HOW IT WORKS

- Contact your bank to complete or update your P.O.D. (Pay on Death) form for your checking and savings accounts.
- Designate St. Anthony's to receive the remaining account balance after the joint account owners have passed away.

BENEFITS

- Receive a charitable deduction that will reduce any estate or inheritance taxes.
- St. Anthony's receives the balance of the accounts after the joint account owners have passed away.

5.4 UNITED STATES SAVINGS BONDS

Gift savings bonds to St. Anthony's through your estate plan and save your heirs from excess taxation.

You can donate savings bonds to St. Anthony of Padua Catholic Church by designating us as a beneficiary of the bonds. By including a provision in your will, we can become the owner after your passing. By doing so, your estate will not owe income taxes when the bonds are cashed in. It's another great way to save on taxes and support our mission.

There are many types of savings bonds so be sure to speak with your advisor for more information.

6 LIFE INSURANCE

6.1 OVERVIEW

Life Insurance is for those who have people dependent upon them – children, partners, or family members. They want to provide for their loved ones after they pass away and do this by designating beneficiaries. Life Insurance can also be an important estate-planning tool and used to mitigate inheritance and estate taxes. Any portion of your life insurance policy assets that you leave for St. Anthony's will be exempt from inheritance and estate taxes.

6.2 WHAT IS LIFE INSURANCE?

Life Insurance is a general term that describes many types of contracts between an insurer and an individual. All life insurance policies share three key elements: an owner, an insured, and a beneficiary.

- **The Owner** – The person who purchases and controls the policy.



- **The Insured** – The person who is covered by the life insurance policy. That person may also own the policy.
- **The Beneficiary** – The person who will receive the value of the policy upon the passing of the insured. An individual, estate, trust, or charity may be the beneficiary.

6.3 LIFE INSURANCE: PEACE OF MIND AND PROTECTION

The varieties and variations of life insurance products are endless and it's essential that you consult a trusted financial or legal advisor to understand exactly what you are buying when you purchase life insurance. Know whom you have designated as your beneficiaries and review beneficiary designations regularly.

To make the most of your life insurance contract, consider if you still really need it.

- Are your children doing well in life?
- Do you have other assets that will provide for partners and loved ones?
- Have you been more financially successful than you anticipated?
- Have your financial priorities changed and as a result you now wish to do more for St. Anthony's?

If you answered "Yes" to any of these questions, it's time to review your beneficiary designation forms.

HOW IT WORKS

- Contact your insurance company to complete or update your beneficiary designations or P.O.D. (Pay on Death) form.
- Designate St. Anthony's to receive all or a percentage of your life insurance policy proceeds.
- You may also transfer ownership of a paid-up life insurance policy to St. Anthony's.

BENEFITS

- Make a gift using an asset that you and your family no longer need.
- Receive an income tax deduction for the donation of a paid-up life insurance policy and estate tax savings after your passing.

7 OTHER NON-CASH GIFTS

7.1 OVERVIEW

You can support the mission of St. Anthony's without reducing your income or diminishing your savings! Some less common items you may consider donating are assets such as: cryptocurrency, real estate (land or building), fine art collectibles, automobiles, and many others.



8 SAMPLE PLANNED GIFT INTENT DOCUMENT

St. Anthony of Padua Catholic Church 7801 Bay Branch Dr., The Woodlands, Texas 77382
Declaration of Intent for Planned Gift

As an expression of my desire to promote the mission of St. Anthony of Padua Catholic Church, it is my intent to name St. Anthony of Padua Catholic Church (STAOPCC), as a beneficiary in my estate

My gift is:

1. \$ _____
2. A percentage of my estate's value (____%)
3. A part or the remainder of my estate (____%)

I have included a gift to STAOPCC (Tax ID # 76-0545136) through:

- Bequest
- Trust Beneficiary
- Life Insurance Policy
- Retirement Plan
- Securities
- Other [specify] _____

I would like my gift to be:

- Unrestricted
- Restricted to the following STAOPCC mission-aligned program (or its successor initiative):

I would like my bequest to be named in honor of _____

If I make any change to this provision or if the value of the bequest or gift changes substantially, I will notify STAOPCC of such change. I understand that all information listed below will be kept in confidence unless I authorize its release.

Name(s): _____

Email: _____ Phone: _____

Address _____

Signature: _____ Date: _____

I prefer that my support remain anonymous.

Note: This document is not legally binding. As with any decision involving your assets, we recommend that you seek the advice of an advisor. Please send a copy of any documentation naming St. Anthony's as a beneficiary to your estate to: St. Anthony of Padua Catholic Church, 7801 Bay Branch Dr., The Woodlands, Texas 77382.



9 SAMPLE CODICIL DOCUMENT

[date]

I, [name], a resident of the County of [county], State of [state], declare that this is the codicil to my last will and testament, which is dated [date original signed].

I add or change said last will in the following manner:

[List all specific changes or additions to the original will. Reference each section number of the will and the specific language you will be affecting. **This is where you could include a bequest to support our mission at St. Anthony's. See our suggested bequest language that can assist you.**]

Otherwise, I hereby confirm and republish my will dated [date original signed], in all respects other than those herein mentioned.

I subscribe my name to this codicil this [day, e.g. 1st] day of [month], [year], at [full address where signed], in the presence of [full name of first witness to codicil], [full name of second witness to codicil], and [full name of third witness to codicil], attesting witnesses, who subscribe their names here in my presence.

Maker

ATTEST

On the date last above written, [name], known by us to be the person whose signature appears at the end of this codicil, declared to us, [full name of first witness to codicil], [full name of second witness to codicil], and [full name of third witness to codicil], the undersigned, that the foregoing instrument, consisting of [number of pages to codicil] page(s) was the codicil to the will dated [date original signed]; who then signed the codicil in our presence, and now in the presence of each other, we now sign our names as witnesses.

Witness

Witness

Address

Address

Disclaimer: Please have your will or codicil drafted by an attorney who is familiar with the estate laws of the state where you live. We are not engaged in legal or tax advisory service.

