

## AN INSTALLMENT PLAN FOR CHARITABLE GIVING

In a recent poll, when Americans were asked what they would do if they suddenly became wealthy, the most common answer was “to give to charity”. Many Scouters would like to do something financially significant for their council, but don’t have the means right now. What if there was a way to make that significant donation over a period of time?

It is actually very easy to make just such a gift to the council using life insurance. Simply make the council the beneficiary and possibly the owner of a life insurance policy.

In the case of older policies, the original reason for buying the life insurance policy may no longer exist. These policies can easily be given to the council with very little impact on the donor’s financial situation. Also policies where the council is named as owner and beneficiary often make the best gifts for donor and council.

If you decide to give a gift of life insurance to the council several factors must be taken into consideration.

- A. When you name the council as beneficiary the council could be primary, secondary, contingent or co -beneficiary. Also the designation may be revocable or irrevocable.
- B. However, these alone may not entitle you to a tax deduction where as if you name the council as beneficiary and owner of a policy that is an irrevocable gift you create a tax deduction that is roughly equal to the approximate to the cash value of the policy at the time it is given away.
- C. The premiums that you pay on a policy that is both owned by the council and of which you are the beneficiary are tax deductible to you by making those premium payments to the council as gifts to the Buckeye Council
- D. Also many types of policies generate dividend income to the owner and assigning these dividends to the council will give rise to an immediate income tax deduction.

Giving life insurance can be a great way to do something significant for Scouting in the Buckeye Council. Call Charles Riddle, Fund Development Director for further information at 330-580-4272 or e-mail: [criddle@bsamail.org](mailto:criddle@bsamail.org).