



FOR YOUTH DEVELOPMENT
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY

Make a Gift of Life Insurance to the South Sound YMCA

Life insurance is an excellent tool for making a significant charitable gift. Through a relatively small annual cost (the premium), a benefit far in excess of what would otherwise be possible can be provided for the South Sound YMCA. This sizeable gift can be made without impairing or diluting assets earmarked for family members.

There are a number of methods for using life insurance to make a charitable contribution and include:

Absolute assignment: Naming the South Sound YMCA as the owner of an existing policy that is no longer needed allows for a charitable deduction in the amount of the cash value of the policy. By purchasing a new policy and naming the YMCA as the owner you will receive a charitable deduction in the amount of the premiums you pay each year on the policy.

Beneficiary assignment: Naming the South Sound YMCA as the primary or contingent beneficiary of an existing or new life insurance policy does not yield a current income tax deduction, but does result in a federal estate tax deduction for the full amount of the proceeds payable to the YMCA.

Wealth replacement: Life insurance makes it possible for the donor to make an immediate or deferred gift of land, stock, or other property while still providing an acceptable family inheritance. Qualified and non-qualified retirement plans are one of the best assets to give because they are exceptionally inefficient in passing wealth to heirs due to the large tax burden. Many families choose to leave their retirement plan benefits directly to a charity and then use life insurance as a way to “replace” the wealth contributed.