

Charitable Remainder Trusts

Make Your Gift Work for You



Steve and Barbara Brooks created a CRT and now receive income for life

Charitable Remainder Trusts (CRT)

A charitable remainder trust is a vehicle into which you can place assets and in return receive income. The remainder benefits the causes or nonprofits of your choice.

How it works

- **You create a trust** with the assistance of your professional advisor.
- **You can give cash, appreciated stock, closely held stock, real estate or other assets** into the trust.
- **You avoid capital gains tax and receive a charitable income tax deduction** for donating assets into the trust.
- **You receive lifetime income**, a portion of which may be tax free. (CRTs may also benefit a named beneficiary). Payments may be fixed or variable. The minimum annual percentage payout is 5%.
- **The “R” in CRT is the remainder.** The remainder creates a fund at the Community Foundation for Monterey County (CFMC) that benefits the causes or nonprofits of your choosing, or a donor advised fund that your children or another designee can oversee. The fund can also meet changing needs and support community grantmaking through the Fund for Monterey County.
- **The fund becomes a permanent philanthropic resource** helping to do good work forever. As an endowed fund, the principal is invested and a percentage of the balance is available for granting each year. The fund can be in your name or in honor of any person you choose.

CRTs at the Community Foundation are expertly administered by TIAA Kaspick. CRTs are their own legal entity. While not complicated, they should be set up by an attorney.

“We are both retired teachers with a modest estate, yet we can take part in doing good things in this world.” – Barbara Brooks

A life-long friendship between neighbors created a legacy that will live on through a charitable remainder trust. Steve and Barbara Brooks had a Carmel home next door to Eva and Felix Somers for more than 40 years.

“Over the years, we helped them with end-of-life care for Felix, and senior needs for Eva,” said Barbara Brooks. Eva left the Brooks the first right of refusal to buy her home in her will. When the time came, the Brooks purchased the property as a rental. When they no longer wanted to manage the rental, they donated the proceeds from the sale of the house to establish a CRT with the CFMC as trustee.

The Brooks now receive income for life (more than they were receiving as a rental). Upon their passing, the remainder will create an endowed fund at the CFMC to support their favorite charities, including grants to honor the friendship with their neighbors.

Read their story: cfmco.org/Brooks.

HEALTHY, SAFE, VIBRANT Communities



Here for Good
**Community
Foundation**
for Monterey County
cfmco.org/CRT

Charitable Remainder Trusts - Make Your Gift Work for You



Charitable Remainder
Trusts Offer Secure
Payments for Life

Join us

Achieve your charitable vision with
customized philanthropic services.

Click

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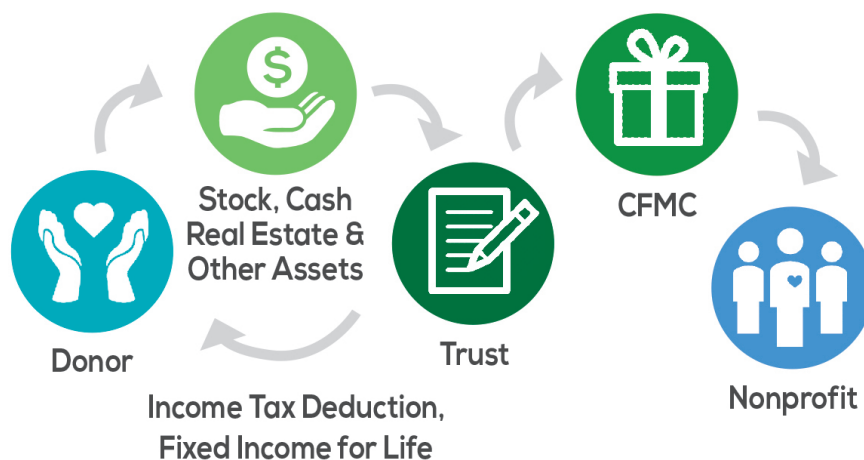
Visit

MONTEREY
2354 Garden Road
Monterey, CA 93940

SALINAS
945 S. Main St., Suite 207
Salinas, CA 93901

Income for Today, A Gift for Tomorrow

The donor contributes cash, stock, real estate or other assets to create the trust and receives a tax deduction. The CFMC pays the donor income for life. Later, the remainder creates an endowed fund to benefit the nonprofit(s) of the donor's choice or community grantmaking through the Fund for Monterey County.



Charitable Remainder Trust Benefits

- **Income from your CRT** may add up to more than the interest and dividends you earn from holding the assets. You or a loved one can start receiving payments immediately.
- **A portion of the income may be tax-free**, while some may be taxed as ordinary income or capital gains.

How Much Income Will My CRT Generate?

A charitable remainder trust is designed to create a source of income for life. The minimum annual percentage payout is 5%. For a detailed view of returns, including potential tax benefits, contact us or explore the planned gift calculator at cfmco.org/CRT.

Community foundations provide a simple, powerful, and highly personal approach to giving. We offer a variety of giving tools to help people achieve their charitable goals.

You can make a gift of cash, stocks, bonds, real estate, or other assets to the Community Foundation. Most charitable gifts qualify for maximum tax advantage under federal law. For more information and ideas on ways to integrate your financial planning with charitable giving, contact us at 831.375.9712 or cfmco.org.

*To inspire philanthropy and be a catalyst for strengthening
communities throughout Monterey County*