



## Charitable Gift and Planning Information

**Supporting and strengthening** Wisconsin agriculture for more than 20 years.

### History

The Wisconsin Farm Bureau Foundation (WFB Foundation) is a non-profit, 501(c)(3) charitable organization whose mission is to support agricultural education and develop agricultural leaders throughout Wisconsin. Established in 1988 as an affiliate of the Wisconsin Farm Bureau Federation, the WFB Foundation has developed and supported educational programs benefitting the agricultural community in Wisconsin for more than 20 years.

### Campaigns

The WFB Foundation's Learn and Lead Growth Campaign offers Wisconsin Farm Bureau members, county Farm Bureaus and other partners the opportunity to make a five-year commitment to contribute funding to the WFB Foundation. The goal of the campaign is to increase the annual income and asset base of the WFB Foundation in order to better support our agricultural education and leadership development programs in the future.

### Memorials

Requesting that memorials on your behalf be sent to the WFB Foundation in your obituary or as part of your memorial service is another excellent way to support our programs.

### Lifetime Giving

With lifetime gifts of cash, securities or real property, you have the satisfaction of making a significant gift that benefits both you and the WFB Foundation during your lifetime. Some examples of lifetime gifts are provided below.

#### Cash Gifts

Many of our supporters find that a simple cash gift to the WFB Foundation is the best way to support our mission and programs. You may also honor or memorialize a special person in your life by making a cash contribution in their name to the WFB Foundation as a way to say "thank you" to someone who shares the passion of our mission. The WFB Foundation benefits from a gift that can immediately be put to use supporting agricultural education and developing agricultural leaders, and you benefit from an income tax charitable deduction up to 50% of your adjusted gross income. If all of your deductible gifts in a given year exceed the 50% limit, the excess amount may be carried over as a deduction for up to five years.

#### Gifts of Real Estate

A gift of your personal residence, vacation home, farm, vacant land or other real estate can benefit you and the WFB Foundation in many different ways. As with gifts of securities, a gift of real estate entitles you to an immediate charitable deduction for the property's fair market value up to 30% of your adjusted gross income with a five-year carryover period for any excess deduction. A gift of property eliminates taxation of the capital gains upon the sale of the real estate, reduces possible estate tax liability, and removes the inconvenience of marketing and maintenance.

Donating your residence or farm to the WFB Foundation, however, does not mean that you and your spouse must vacate the property. By gifting a remainder interest in the property and retaining a life estate, you and your spouse can benefit from an immediate charitable income tax deduction while continuing to use the property for the remainder of your combined lifetimes. On the death of the second spouse, full rights to the property will pass to the WFB Foundation for our immediate use.

# Gifts of Stocks, Bonds and Mutual Funds

Gifts of publicly traded securities such as stocks, bonds and mutual funds are especially advantageous if you hold a security that has substantially increased in value over time. By making a gift of securities held longer than one year, you completely avoid paying capital gains tax on the appreciation. In addition, you can take an income tax charitable deduction for the full current market value of the securities in the year of the gift up to 30% of your adjusted gross income with up to five additional years to carryover any excess.

## Planned Giving

Many of our individual contributors have discovered the added pleasure of knowing they can continue to support our mission beyond their lifetimes. Gifts we receive through wills and trusts help ensure that the WFB Foundation will stay strong in the future and can be an excellent way to realize your larger charitable objectives. As outlined below, there are many available ways to give.

### Bequests

There are many ways to structure a bequest to the WFB Foundation through either your will or a living trust. All bequests made to the WFB Foundation are deductible for estate tax purposes.

#### Specific Bequest

A Specific Bequest allows you to leave a specified dollar amount or a particular asset (stocks, real estate, etc.) to the WFB Foundation.

##### Example Specific Bequest

I give \_\_\_ dollars to the Wisconsin Farm Bureau Foundation, Inc., a Wisconsin non-profit corporation having its principal address at 1241 John Q. Hammons Drive, P.O. Box 5550, Madison, WI 53705.

#### Residuary Bequest

It is also possible to make a Residuary Bequest whereby a "remainder" or a percentage of your estate will be left to the WFB Foundation after all other bequests have been distributed and all debts, expenses and taxes of your estate have been paid.

##### Example Residuary Bequest

I give (\_\_\_ percentage or all of the residue) of my estate to the Wisconsin Farm Bureau Foundation, Inc., a Wisconsin non-profit corporation having its principal address at 1241 John Q. Hammons Drive, P.O. Box 5550, Madison, WI 53705.

#### Contingent Bequest

Finally, a Contingent Bequest allows you to make a contingent gift to the WFB Foundation in the event that your named beneficiary has predeceased you at the time your will is probated.

##### Example Contingent Bequest

If (spouse, child, etc.) does not survive me, I give (a specific dollar amount, percentage or all of the residue of my estate) to the Wisconsin Farm Bureau Foundation, Inc., a Wisconsin non-profit corporation having its principal address at 1241 John Q. Hammons Drive, P.O. Box 5550, Madison, WI 53705.

### Retirement Plans and Insurance Policies

Two other very popular ways to make a charitable donation after your lifetime are to name the WFB Foundation as a full or partial beneficiary of a life insurance policy or retirement plan, such as an IRA, 401(k) or a company pension plan. Naming the WFB Foundation as the beneficiary after your lifetime avoids all estate and income taxes on the donated assets. To make this gift, you may simply notify your plan administrator or insurance agent of your wish to change the beneficiary. In addition, you may also transfer ownership of your insurance policy to the WFB Foundation and receive an immediate income tax charitable deduction for the full fair market value of the policy.

### Charitable Remainder Trust

A charitable remainder trust allows you to give cash, securities or real estate to the WFB Foundation while allowing designated beneficiaries, including you or your spouse, to receive a set dollar amount or percentage of the value of the trust income for a term of years or the remainder of their lifetimes. When the term of the trust ends, the remaining assets will be distributed directly to the WFB Foundation. You will benefit from an immediate income tax deduction for the charitable portion of the gift. In addition, you will not incur capital gains tax on the contribution of property to the trust that has appreciated over time.

### Charitable Lead Trust

The opposite of a charitable remainder trust, a charitable lead trust allows you to contribute cash, securities or real estate to the WFB Foundation that will pay income annually to the WFB Foundation in the form of an annuity or percentage of the value of the trust for a term of years or for your lifetime. When the term of the trust ends, your heirs will receive the remaining trust assets. This is an excellent way for you to see the benefit of your gift to WFB Foundation while being assured that your family will be taken care of after your lifetime. Only a portion of the trust is considered a taxable gift to your heirs at the time the trust is created and any appreciation in the trust assets will be transferred to your heirs without incurring further gift or estate tax.



## If you would like to learn more...

Every donation to the WFB Foundation makes an important difference to the educational and leadership programs we support in Wisconsin now and into the future. We hope that this information has provided you with some ideas that may let you extend the reach of your generosity. If you would like to learn more about how the lifetime or planned giving ideas discussed in this brochure benefit the Wisconsin Farm Bureau Foundation or if you would like to make a gift, please contact WFB Foundation Director John Hromyak at [jhromyak@wfbf.com](mailto:jhromyak@wfbf.com) or 608.828.5729, or General Counsel, H. Dale Peterson, of Stroud, Willink & Howard, LLC, at 608.257.2281. This brochure is provided for informational purposes only and should not be considered tax or legal advice. You should consult with your own legal and/or financial advisors for legal and tax advice tailored to your specific circumstances.