

MAKE YOUR LEGACY GIFT THROUGH A BENEFICIARY DESIGNATION

One of the easiest ways to support your favorite charity

Many people do not realize that retirement plans, IRAs, life insurance and commercial annuities are not controlled by the terms of your will. Instead, these plans use separate *beneficiary designation forms* to determine how these assets are ultimately distributed.

Gifts by beneficiary designation are among the simplest gifts to make. They do not require a visit to a lawyer, and you can change your beneficiaries at any time.

By naming the Animal Legal Defense Fund as a beneficiary of these assets, you make animal protection a part of your enduring legacy.

BENEFICIARY DESIGNATION

Potential Benefits of Gifts by Beneficiary Designation

- Reduce or eliminate taxes on retirement assets
- Reduce or avoid probate fees
- No cost to you now to give
- Create your legacy to the Animal Legal Defense Fund

How to make a Beneficiary Designation

It is very easy to make a beneficiary designation — here's how:

1. Contact your retirement plan administrator, insurance company, bank or financial institution, and request a change-of-beneficiary form.
2. Decide what percentage of your retirement plans, IRAs, life insurance and/or commercial annuities you would like to use to benefit the Animal Legal Defense Fund, and include that information on the beneficiary form.

When you name the Animal Legal Defense Fund as a beneficiary, please use the following information:

Animal Legal Defense Fund

525 East Cotati Avenue

Cotati, CA 94931

Tax ID #94-2681680

3. Return the completed form to your plan administrator, insurance company, bank or financial institution.
4. It is helpful to keep a copy of your designations along with your will, so that all your documentation is in one place.

TYPES OF ASSETS YOU CAN DESIGNATE

Retirement Plans and IRAs

If you would like to help the Animal Legal Defense Fund while planning tax-effectively for your legacy, a gift from your retirement plan or IRA could be an effective choice.

A retirement plan or IRA is often an asset that generates a person's largest taxable income when paid to a beneficiary. If you are considering a gift to the Animal Legal Defense Fund after your lifetime, it is usually preferable to direct taxable assets to a charity like us and give non-taxable assets (such as stocks and real estate) to your loved ones.

To complete your gift, simply contact your retirement plan or IRA administrator (or visit their website) and complete a beneficiary designation form naming the Animal Legal Defense Fund as beneficiary, and the amount or percentage that you would like us to receive. Be sure to return the completed form to the plan administrator and keep a copy for your records. Remember that beneficiary forms can be changed at any time.

Life Insurance Policies

If your family's financial needs have changed, you can use your life insurance policy to help advance the Animal Legal Defense Fund's mission. Not only will you make a substantial gift at a relatively low cost, but it is revocable at any time should you need to change your plans.

You can designate the Animal Legal Defense Fund as a beneficiary of some or all of the life insurance death benefit. You choose whatever amount or percentage you desire. To complete your future gift, contact your insurance company or agent and request a beneficiary designation form, or simply download the form from your provider's website. Once you complete the form, return it to the insurance company. Make sure to keep a copy for your records.

Commercial Annuities

Commercial annuities are tax-heavy assets to own. They carry an income tax burden when paid to your named beneficiary. The income tax is due on the growth of the annuity — in other words, what its value is worth when you die over what you paid for it. The tax burden makes these assets another popular choice to leave to a tax-exempt organization like the Animal Legal Defense Fund.

To complete a gift from your commercial annuity, contact your bank, insurance company or financial institution and request a change-of-beneficiary form for the annuity. Decide what amount percentage of the annuity's value you would like to give to us and name the Animal Legal Defense Fund on the beneficiary form. Then return it to the financial institution and keep a copy for your records.

Funds Remaining in Your Bank Accounts

This is one of the easiest gifts to give. The next time you visit your bank, you can name the Animal Legal Defense Fund as the beneficiary of a checking or savings bank account, a certificate of deposit (CD), or a brokerage account.

Donor-Advised Fund (DAF) Residuals

What remains in a Donor-Advised Fund is governed by the contract you completed when you created your fund. You can name the Animal Legal Defense Fund as the “successor” of your account or a portion of your account value.

Savings Bonds

If you have bonds that have stopped earning interest and you plan to redeem them, you might owe income tax on the appreciation. That could result in your heirs receiving only a fraction of the value of the bonds in which you invested. Since the Animal Legal Defense Fund is a tax-exempt institution, naming us as a beneficiary means that 100% of your gift will go toward protecting and defending animals.

UPDATING YOUR DESIGNATED BENEFICIARIES

Designations can be modified at any time to meet your changing needs. Experts suggest reviewing them every two to three years when you review your entire estate plan. Also be sure to notify the beneficiaries, to help facilitate the efficient resolution of your estate and ensure that your beneficiaries can claim the proceeds.

NEXT STEPS

Please contact us to let us know if you are planning to designate any of your assets to the Animal Legal Defense Fund: Jenna Benton at jbenton@aldf.org or 707-795-2533 x1034.

The information in this publication is not intended as legal or tax advice. For such advice, please consult an attorney or tax advisor.

