

## **TLS Foundation History -**

The Topeka Lutheran School Foundation, founded in 1971 to provide assistance to the school, continues to invest in the future of the school. The Foundation is committed to increasing its endowment to provide for the future of the school. The endowment is a fund of assets prudently invested so that a continuing source of income is available for the school's needs. The interest is then used for scholarship aid to students or capital and program improvements at the school.

## **TLS Foundation Mission -**

The mission of the Topeka Lutheran School Foundation is to advance the cause of Christian education through Topeka Lutheran School. The Foundation exists in order to provide substantial financial assistance to TLS. The earnings of the TLS Foundation's endowment fund will provide resources for Topeka Lutheran School to continue its relentless pursuit of excellence.



## **Goals and objectives of the TLS Foundation -**

Continue an active endowment program, striving to reach a level whereby the earnings (interest, dividends, etc.) could provide substantial support for the day-to-day operation of the school.

- Assist deserving students by providing scholarships.
- Support capital improvements and funding efforts of the school.
- Assist in obtaining modern/quality education equipment.
- Promote throughout the community the philosophy and objectives of Christian education at TLS.
- Solicit and receive contributions and accept bequests in order to accomplish the objectives of the TLS Foundation.

## **Beneficiary Proceeds**

*When you name TLS Foundation, Inc. as beneficiary of specific assets, you enjoy some flexibility in your giving as well as certain tax advantages.*

- TLS Foundation, Inc. can be a beneficiary on your life insurance contract, annuities or retirement assets.
- TLS Foundation, Inc. receives the specified assets upon your death.
- You can change this designation throughout your life.
- You can designate any portion of these assets to TLS Foundation, Inc.

## **Tax, Legal & Financial Implications**

Charitable giving can result in significant tax, legal and financial consequences. TLS Foundation, Inc. cannot give you legal or tax advice. We strongly encourage you to consult your own attorney and tax advisor regarding your gifts.

## **Making your gift to the Foundation**

Through the Topeka Lutheran School Foundation, Inc. you have the flexibility to give in ways that reflect your life experiences and values. We encourage you to call us to talk further. We can help answer questions and create a giving plan that best fits your objectives. To learn more about giving to the Topeka Lutheran School Foundation, Inc. contact:

**TLS Foundation, Inc.**  
701 SW Roosevelt Street  
Topeka, KS 66606  
785-357-1468  
Fax 785-357-7338  
[www.topekalutheran.org](http://www.topekalutheran.org)



*"A gift opens the way for the Giver and ushers him into the Presence of the Great"*

*Proverbs 18:16*

## ASSETS YOU CAN GIVE

Most people have a sense of what they can give. But each gift option has different benefits, it's important to make a gift that is right for your particular situation.

## TOOLS FOR GIVING. . .

There are a number of creative ways you can utilize to give to the TLS Foundation, Inc. Each comes with its own set of tax advantages; the list below is a starting point for understanding your options.

### Cash

Most people are familiar with donating cash to charities – but there are a few things you should know.

- If you itemize, you can take a charitable deduction for the amount of your gifts.
- If the deduction exceeds 50% of your adjusted gross income, you can carry the excess forward for up to five years.
- Cash gifts can be made after death with a bequest in your will or living trust.
- To make an online cash donation to TLS Foundation, Inc. go to [www.topekalutheran.org](http://www.topekalutheran.org).

### Publicly Traded Securities

If you have appreciated stocks and bonds (including mutual funds), you can use them to establish or add to an existing donation.

- You receive a charitable deduction when you transfer appreciated securities owned for more than one year to the TLS Foundation. For outright gifts, your deduction is based on the average value of the security on the date the gift is made.
- Possible capital gain tax advantage on the appreciated value of securities owned for more than one year.
- You can claim an income tax deduction for the year in which the gift is made.
- For securities owned one year or less, the charitable deduction is based on your cost basis in the security.
- You can also give securities with a bequest in your will or living trust.



- Donors giving securities that have declined in value may be better off selling the property to realize a deductible loss, and then give the cash proceeds to TLS Foundation.

### Closely Held Stock

It's possible for owners of closely held stock – Such as Sub-Chapter S Corporation (S Corp) stock or sub-Chapter (C Corp) stock – to make a gift of these assets to the Foundation.

- Owners of these securities may be able to make a gift of the assets depending upon the limitations that accompany stock ownership.
- The value for purposes of the charitable deduction is typically determined by a qualified appraisal.

### Real Estate

You can make an outright gift of real estate to TLS Foundation.

- If you've owned it more than one year, there are possible capital gain tax advantages on the appreciation.
- The income tax deduction is usually equal to the fair market value of the property, with some exceptions. A qualified appraisal is required.
- If the amount of the gift exceeds 30% of your adjusted gross income, you can carry the excess forward for up to five years.
- You can also give real estate with a bequest in your will or living trust.

**Real estate with lifetime use.** With a gift of a personal residence, vacation home or farm to the TLS Foundation, you can retain a "life estate" in the property.

- By deeding the property to the Foundation, you receive an immediate income tax deduction for a portion of the appraised fair market value.
- You can use or rent the property until your death, at which time the Foundation takes possession of the property.
- The property you give is not subject to probate.

### Retirement Assets

**Gifts at death.** You can designate the TLS Foundation as beneficiary of your IRAs, tax sheltered annuities, or 401(k) or 403(b) plans. This avoids income, estate and generation-skipping taxes.

**Gifts during life.** To make a direct gift of your IRA assets to the Foundation during your lifetime, you must first withdraw the assets and recognize the distribution for income tax purposes. You can then contribute the funds to TLS Foundation and claim an income tax charitable deduction to mitigate the income tax liability. Remember to consider possible penalties for early withdrawal or IRA assets.

### U.S. Savings Bonds and Annuities

**U.S. savings bonds.** The government restricts the transfer of Series E, EE, H and HH U.S. savings bonds. While you can cash in the bonds and receive an income tax deduction for the amount of the cash gift, it may be more advantageous to bequeath the bonds in your will or living trust due to tax implications.

**Annuities.** Because ownership of commercial annuities, including variable annuities, cannot be transferred to TLS Foundation as a gift during life (in most cases), these assets are generally given as beneficiary proceeds at death. Surrendering an annuity during your lifetime results in recognition of income and possible early withdrawal penalties.

### Direct Gifts

Direct gifts can provide immediate financial support to TLS Foundation for Topeka Lutheran School.

- Cash and publicly traded securities are the most common types of direct gifts.

- Real estate and closely held stock can also be given as direct gifts.
- Tax benefits can be used the year you make the gift.

### Life Insurance

Life insurance often allows you to make a significantly larger charitable gift than might be possible using your current assets.

- By making TLS Foundation the owner and beneficiary of the life insurance contract, you can take a deduction for the ongoing premium payments as you make them.
- You can also receive tax benefits if you make a gift of a paid-up life insurance contract.
- You can remain the owner of a contract and name TLS Foundation, Inc. as partial, sole or contingent beneficiary of the life insurance death benefit. No income tax deduction will result, but the gift will create a charitable deduction for your estate.

### Bequests in Will or Revocable Living Trust

An estate is defined by the property, money or personal belongings you have at the time of your death. In fact, most people leave an estate when they die, even though they may not have a great deal of wealth. Those with estates, large and small, can arrange to leave a charitable bequest by simply naming TLS Foundation, Inc. in their will or living trust.

- You can leave all or a portion of your estate to TLS Foundation, Inc. in your will or revocable living trust.
- You can leave a specific dollar amount, a percentage of your estate or specific assets.
- Some people leave a paid life insurance policy or financial investments such as stocks, bonds or Certificates of Deposits.

