

A photograph of a family of three—a woman, a man, and a young girl—walking away from the camera on a path. The image is overlaid with a semi-transparent blue filter. The woman is on the left, wearing a striped shirt and dark pants. The man is on the right, wearing a dark polo shirt and dark pants. The young girl is in the center, wearing a white dress. The background is a soft-focus landscape with trees and a bright sky, suggesting a sunset or sunrise.

# LEAVING A LEGACY

IMPACTING GENERATIONS & ETERNITY

# LEAVING A LEGACY

IMPACTING GENERATIONS & ETERNITY

For over 25 years, God has been using the Springs Church team to fuel transformational change within not only our families, but untold hundreds of thousands across Canada and around the world. We at Springs Church have been part of a move of God that is continuing to grow exponentially. It's a great time to celebrate how far we have come and to ensure we have the finances to reach everyone God has called us to reach.

Leaving a Legacy is not about a donation, it's about making a wise investment that will change people's eternity! It's all about reaching your children, your grandchildren, your neighbours, your community and those around the world that without Springs Church wouldn't hear the Gospel in a Spirit Contemporary, life-changing way.

For more information, contact us at (204) 233-7003 or email us at [leavingalegacy@springschurch.com](mailto:leavingalegacy@springschurch.com).

## **Bequests**

A bequest (transfer of cash, securities or other property through a Will) to Springs Church is a flexible, tax-effective way to Leave a Legacy and impact the Kingdom. By naming Springs Church to receive a gift in your Will, your Estate will generate tax credits that may offset taxes payable.

## **Gifts of Retirement Funds**

For many people, Registered Retirement Plans (RRSPs, RRIFs) and company-sponsored pension plans may be their single largest assets beyond their homes. Withdrawals from these funds will be taxed. When you name Springs Church as beneficiary of your funds, your Estate will receive a tax receipt for the entire amount of the gift, maximizing your gift and providing a tax credit to your Estate.

## **Gifts of Marketable Securities**

Over the years, Springs Church has received many generous donations of marketable securities, as donors realize it is a tax-effective way to make a donation. An investment that has increased in value would generate a taxable capital gain if you sold it. By donating it to Springs Church you realize double the savings as there are no taxes on the capital gain and you receive a charitable tax receipt for the full value of the securities to offset other taxes you may have owing.

## **Charitable Trusts**

If you wish to give assets to Springs Church through your Will, and could benefit from charitable tax credits now, consider one of these two Charitable Trust Agreements. With either investments or real estate, you may create a Trust that allows you to receive the income from your investments for your lifetime, or the use of your property for your lifetime, with those assets left to benefit Springs Church upon your passing. The immediate tax benefit reduces your current taxes to be paid, improving your after-tax income in the present.

## **Gifts of Life Insurance**

When Springs Church is the beneficiary of your life insurance proceeds, your estate is eligible for a charitable tax receipt. You also may name Springs Church owner and beneficiary of a policy and receive a tax receipt for the cash-surrender value of the policy, and a tax receipt for any additional premium payments made after the policy is assigned.

## **Gifts In Kind**

Gifts of cars, equipment, and real estate that are easily sold and/or able to be used by Springs Church, and where a fair market value can be determined, are eligible for a tax receipt for the fair market value of the gift.

# Bequests

A bequest (transfer of cash, securities or other property through a Will) to Springs Church is a flexible, tax-effective way to Leave a Legacy and impact the Kingdom. By naming Springs Church to receive a gift in your Will, your Estate will generate tax credits that may offset taxes payable.

Sample clauses for wording your bequest:

Proper wording is vital to the legal validity of a bequest. Springs Church recommends the following Will clauses for your use:

Specific amount bequest: "I DIRECT my trustee(s) to pay the sum of \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_ ) to SPRINGS CHURCH (Charitable Registration # 108000654 RCO001), currently located at 725 Lagimodiere Blvd, Winnipeg, Manitoba, R2J 0T8, for its general purposes. The receipt of an appropriate officer of Springs Church shall be a sufficient discharge of my Trustee(s)."

Residual bequest: "I DIRECT my trustee(s) to pay (insert number that equates to percentage) parts of the residue of my estate to SPRINGS CHURCH (Charitable Registration # 108000654 RCO001), currently located at 725 Lagimodiere Blvd, Winnipeg, Manitoba, R2J 0T8, for its general purposes. The receipt of an appropriate officer of Springs Church shall be a sufficient discharge of my Trustee(s)."

## Codicils

Often individuals want to make a specific addition or amendment to their Will, such as adding a Bequest to Springs Church, they will use a Codicil rather than going through the exercise of creating a new Will. A Codicil is an addition to a Will that either modifies or revokes part of the Will. Unless the change you are making is very straightforward we recommend that you consult your lawyer and consider having your Will redrafted.

# Gifts of Retirement Funds

Making a gift of all or a portion of your registered retirement funds, RRSP's or RRIF's, to Springs Church provides you the opportunity to leave a larger gift and also potentially leave more to your family and heirs.

## Benefits

- Donating funds from your RRSP's or RRIF's is a very tax effective way to donate more, while minimizing taxes to be paid from your Estate.
- The tax burden can be considerable for registered funds left to your Estate. The RRSP and/or RRIF left within your Estate must be cashed in and added to your taxable income. You could then be taxed at the highest income tax rate before any funds can be distributed. By donating retirement funds to Springs Church the charitable tax credit offsets any taxes that would have been normally paid.
- By donating funds from your RRSP or RRIF directly to Springs Church, these funds bypass probate and the fees associated with it.
- Since you can name Springs Church the beneficiary of your RRSP or RRIF directly, there are no Executor fees to your Estate.
- When the RRSP or RRIF assets are donated to Springs Church the donor pays no tax on the capital gain on the investments.
- You have the option to leave part or all of your retirement funds to Springs Church when you name them beneficiary and you have complete access to your RRSP or RRIF during your lifetime.
- Your gift will help to reach future generations for the Kingdom in Canada and around the world.

# Gifts of Marketable Securities

Making a gift of stocks, bonds, mutual funds or flow through shares to Springs Church provides a gift to reach people around the world for Christ.

Canadians can donate their Canadian publicly traded securities or Canadian mutual funds without incurring the tax on any capital gains. In many cases this may provide a greater benefit to you than donating cash.

## Benefits

- Donating stocks, bonds, mutual funds, flow through shares or other securities can be a tax effective way for you to help reach your family and friends along with the millions going into eternity without Christ.
- By donating your publicly traded securities directly to Springs Church, you will eliminate tax on the capital gain that would be payable if you otherwise sold the security.
- You will receive a charitable tax receipt for the fair market value of the securities which will reduce taxes on other sources of income.
- You will help to reach future generations for the Kingdom in Canada and around the world.

## Illustration

	Selling Shares then Donating Cash	Donating Shares
Fair market value of shares	\$100,000	\$100,000
Cost of shares	\$20,000	\$20,000
Capital gains realized	\$80,000	\$80,000
Taxable capital gain	\$40,000 (50% of gain)	\$0
Taxes payable (assume 50%)	\$20,000	\$0
Tax credit* (assume MB resident)	\$50,000	\$50,000
Net tax reduction	\$30,000	\$50,000

\*This example is only for illustration purposes. The tax impact will depend on individual circumstances.

## Make a gift now

In order to initiate your gift transfer, please contact Springs Church Finance Department. They will provide you with the necessary information to initiate the securities transfer from your account to the Springs Church account.

# Charitable Trusts

Many people as they reach retirement describe themselves as cash-poor, but asset-rich. In other words, they have a significant percentage of their net worth tied up in homes and registered retirement accounts, but not in cash. Investments that limit their current retirement income, will be substantial amounts left to their Estates. Trying to “live off” these tied up investments leaves many people feeling they are not able to currently give as much as they would like to their families and church without suffering negative tax consequences. Sometimes the ability to enjoy retirement is even hampered because they don't feel they can touch these locked-in investments. There are two types of donations that many advisors recommend that can provide significant benefits to you, as well as Springs Church. They are:

## **Charitable Remainder Trust (Investments)**

A Charitable Remainder Trust is a way to make a secure future gift to Springs Church, while retaining the investment income from the gift during your lifetime. If you need the income that the asset, or portfolio generates, a Charitable Remainder Trust to Springs Church has many benefits. It allows you to receive the income the portfolio generates and you receive an immediate charitable tax receipt for the present value of that future gift. This tax credit effectively increases your current income, by offsetting other taxes you would owe from your income.

## **Residual Interest (Property)**

If you have a significant amount of value tied up in your home, and don't have a family member that would want to keep your home, you could donate the property to Springs and keep a Residual Interest. Meaning you can live in the property for as long as you choose, receive a charitable tax receipt now, and then the property passes to Springs Church, outside of your Estate. You are responsible for maintaining the property and paying all the normal bills that come with home ownership.

## **How it works**

1. You make a gift to Springs Church of real estate or a financial portfolio, with you being able to enjoy their use for your lifetime AND receive a large charitable tax credit now.
2. You receive an immediate tax credit when the Trust is established, based on your age and the amount of the value in the Trust. The older you are, the higher the credit. The tax credit can be used in the current year or carried forward for up to five years.
3. The assets in a Charitable Remainder Trust generate revenue through professionally managed investments in publicly traded securities and mutual funds. You will still be responsible for any tax that is payable on this income.
4. The original capital that you donate stays in the Trust for Springs Church and cannot be used until you have passed away.

# Gifts of Life Insurance

A gift through life insurance provides a way for you to make a more substantial gift to Springs Church than you thought you could afford, at a relatively low cost. It also provides you the opportunity to potentially leave more, overall.

## Benefits

- Opportunity to leverage your Legacy to make a much larger gift overall.
- Does not diminish your Estate and bypasses probate.
- Provides proceeds to Springs Church, or your family, that are not reduced by taxes, probate fees or Executor fees.
- The gift cannot be challenged by the Estate.
- Depending on how you make the gift, you could realize immediate tax relief against your present tax return, or relief for your final tax return.

## Common Life Insurance Gifts

1. Donation of an existing policy - Use an existing policy which is no longer needed for protection. Springs Church will issue a charitable tax receipt for the fair market value of the policy. As future premiums are paid, Springs Church will also issue a tax receipt for them.
2. Purchase of a new policy - A person may purchase a new policy and assign Springs Church as its owner. Springs Church then designates itself as the beneficiary. The individual receives a charitable tax receipt for each annual premium as it is paid.
3. Designating Springs Church as the beneficiary of an existing policy - A tax receipt will be issued to the Estate by Springs Church at the time the policy proceeds are received, which can be used to offset Estate taxes.

The change of ownership/change of beneficiary sequence is very important; be sure to consult your insurance/financial advisor before doing it.

## Life Insurance Policies and Wealth Replacement

Not only can a gift of life insurance help ensure a family's financial security after a death, it can be used as part of a financial plan to accomplish a substantial gift to Springs Church while preserving the value of your Estate for your family.

# Gifts in Kind

As a person's life situation changes, things that once were valuable and needed, are often times no longer used, or needed. A gift in kind donation will provide you a charitable tax receipt for the fair market value of items such as an automobile, property or anything that can be easily sold.

## Benefits

- Allows people to benefit from Springs Church ministries because of your generosity.
- Provide you some current tax relief.
- Donating items that you don't use may reduce ongoing maintenance costs along with your time.
- If you name specific gifts of assets to Springs Church in your Will, your Estate will benefit from the charitable tax receipt.
- Making a gift in kind donation of property of other items your heirs are not interested in receiving, saves them from selling them and splitting the proceeds, while the Estate receives the charitable tax receipt, oftentimes increasing the amount that your heirs receive from the Estate.

Springs Church has a Gifts in Kind policy to help determine which items qualify as a gift and which items may not.

\* Please Note: The information provided in this package is general in nature and not intended to be a substitute for professional legal and/or financial planning advice. Springs Church encourages all donors who are planning a significant Legacy Gift to consult with their family and seek independent legal and/or financial planning advice.

For more information, please contact us at (204) 233-7003,  
or email us at [leavingalegacy@springschurch.com](mailto:leavingalegacy@springschurch.com).