



GiftMAXIMIZER™

Use Life Insurance To Create A Transformational Charitable Gift AND Generate Ongoing Annual Cash Flows

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Donating Life Insurance to Charities is the least expensive and most tax-effective way to create transformational gifts for the causes you care about.

Did you know Life Insurance can be owned by private charitable foundations and Donor Advised Funds (DAFs)?

A Recent Case

A Toronto-based philanthropist is Vice Chair of a non-profit organization. She wanted to make a generous transformational gift that would help the charity, provide substantial ongoing cash flow and inspire others to follow her lead.

We structured a \$2.7 Million gift of Permanent Cash Value Life Insurance from a tier one Canadian Life Insurance company.

The annual premium of \$66,000 for 10 years is considered a charitable donation.

Her net cost after the charitable donation tax deduction is \$33,000 annually or \$330,000 over 10 years.

The charity will receive annual tax-free cash dividends of \$25,000 that will increase every year for the rest of her life.

Net result: the charity will receive \$1.2 Million in tax-free cash dividends during her lifetime and a death benefit of \$1.5 million, a total gift of \$2.7 Million.

Other Considerations

- She was recognized for her generosity during her lifetime.
- Her taxes were reduced by approximately \$33,000 every year for 10 years.
- The charity enjoys important and ongoing cash flow from the gift.
- She demonstrated the importance of planned giving by setting an example for her family, friends and fellow philanthropists.
- Unique treatment under Canada's Income Tax Act.

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