

# Annual and Planned Giving Options



Each individual donation increases the impact and effectiveness of our P.E.O. grants, scholarships, loans, and awards and provides additional financial assistance to help deserving women pursue their educational goals.

The P.E.O. Foundation and all educational projects of the P.E.O. Sisterhood are qualified as charitable entities under Section 501(c)(3) of the Internal Revenue Code.

Your gift—regardless of its size or nature—will help ensure the continuance of the P.E.O. mission.

You can make a significant difference for a woman pursuing her educational goals with a contribution to the P.E.O. Foundation or any of the P.E.O. educational projects through your annual or planned giving.

## Gifts of Cash

**BENEFIT:** Charitable income tax deduction.

**HOW:** Send cash (check) to the P.E.O. Foundation or any of the P.E.O. educational projects or donate online at [www.peointernational.org](http://www.peointernational.org).

- A lasting way to honor or memorialize a person, chapter or event.

## Gifts Through Annual Year-End Giving

**BENEFIT:** Charitable income tax deduction.

**HOW:** Include a gift to the P.E.O. Foundation or any of the P.E.O. educational projects in your annual year-end giving plans.

## Gifts By Will or Living Trust

**BENEFIT:** Reduce or eliminate estate tax, if such tax applies.

**HOW:** Name the P.E.O. Foundation or any of the P.E.O. educational projects as a beneficiary in your living trust or leave a bequest in your will:

- To the P.E.O. Foundation Undesignated Fund. If you do not have a particular project in mind, the “undesignated” funds are distributed annually by the trustees after considering the current needs of the various P.E.O. educational projects.
- To any of the P.E.O. educational projects or to a specific fund already existing in the P.E.O. Foundation.
- To establish an endowed permanent fund in the P.E.O. Foundation (\$5,000 minimum). These funds are held in perpetuity with use of the annual interest and income directed by the donor for a specific purpose.

## Gifts Through Charitable Remainder Trusts or Annuities

**BENEFIT:** Charitable income tax deduction and income to donor for life.

**HOW:** Name the P.E.O. Foundation or any of the P.E.O. educational projects as a beneficiary of a charitable remainder unitrust, charitable remainder annuity trust, or charitable gift annuity.

- All are required to pay a specified amount annually to the income beneficiary, but which trust or annuity arrangement is most beneficial depends on the donor’s personal situation. Numerous provisions can be tailored for the donor’s unique circumstances.
- The P.E.O. Foundation does not provide trust administration services. For trusts naming Cottey College as beneficiary, such administration services may be available.

## Gifts of Life Insurance

**BENEFIT:** Charitable income tax deduction and potential for future charitable estate tax deduction.

**HOW:** Name the P.E.O. Foundation or any of the P.E.O. educational projects as owner and/or beneficiary.

- If the P.E.O. Foundation or any of the P.E.O. educational projects is named as owner and irrevocable beneficiary of a new or existing policy, a current charitable income tax deduction may be taken equal to the cash surrender value of the policy or the net policy premiums paid, whichever is less. If the donor continues paying the premiums, such payments would be a charitable income tax deduction in the year made.
- If the P.E.O. Foundation or any of the P.E.O. educational projects receives death benefits from life insurance, the proceeds are effectively removed from the insured's estate through a charitable estate tax deduction.
- The P.E.O. Foundation or any of the P.E.O. educational projects could be named as either a primary beneficiary or a contingent beneficiary after naming family members or others as primary beneficiaries (in the event those persons would predecease the insured).

## Gifts of Marketable Securities

**BENEFIT:** No capital gains tax on appreciation and a charitable income tax deduction equal to the full fair market value of the securities if they have been held for more than 12 months.

**HOW:** Deposit security with a broker for transfer to the P.E.O. Foundation or any of the P.E.O. educational projects or deliver stock certificates via mail or in person.

- If the securities have appreciated in value and been held for more than 12 months (long-term capital gain property), the donor's charitable income tax deduction should equal the full fair market value of the securities. In addition the donor is not required to pay income tax on the appreciation.
- If the securities have been held for 12 months or less (would generate "ordinary" income if sold), the charitable income tax deduction is generally limited to the donor's basis in the securities.
- If the securities have declined in value, it may be more tax advantageous for the donor to sell the securities and recognize a loss and then contribute the cash proceeds to the P.E.O. Foundation or any of the P.E.O. educational projects.

## Gifts of Retirement Plan Assets

**BENEFIT:** Reduce or eliminate income tax and/or estate tax, if such tax applies.

**HOW:** Name the P.E.O. Foundation or any of the P.E.O. educational projects as a beneficiary of a pension, profit-sharing or 401(k) plan, or an individual retirement account (either during donor's lifetime or upon death).

- Distributions for retirement plan assets could be subject to income tax when received by an individual beneficiary. However, there generally are income tax advantages when a tax-exempt organization such as the P.E.O. Foundation or any of the P.E.O. education projects is named as a beneficiary (whether primary or contingent).
- Because retirement plan assets are generally not included in an estate if they are left to a qualified charity, it may help reduce or avoid estate taxes to name the P.E.O. Foundation or any of the P.E.O. educational projects as a beneficiary of the retirement plan assets and to choose other assets to leave to family or other individuals. This allows more after-tax dollars to reach your intended beneficiaries. Consult your tax and legal advisors for proper planning techniques.

**Note:** If you are married, your surviving spouse may be legally entitled to receive the entirety of some retirement assets. In such case, the surviving spouse may be able to execute a written waiver for the P.E.O. Foundation or any of the P.E.O. educational projects to receive the retirement assets.

The information contained in this brochure is general in nature. It is always advisable to consult with your tax and financial planning advisers before making these types of contributions. **Note:** There may be certain limitations on the amount that can be taken for a charitable income tax deduction in any particular year.

### For additional information, contact:

P.E.O. Executive Office, 3700 Grand Avenue, Des Moines, IA 50312-2899  
Phone: 515.255.3153 or contact a trustee of the P.E.O. Foundation (listed on the inside cover of The P.E.O. Record or on the website) [peointernational.org](http://peointernational.org)  
(click on the P.E.O. Foundation and Planned Giving link)



*Women helping women reach for the stars*