



ELDER LAW OF MICHIGAN, INC.

One call for help! 866-400-9164

www.elderlawofmi.org

Wealth Management Strategies for donors who value personal responsibility, the ability to take care of themselves and those they love of all ages. People who contribute to Elder Law of Michigan also have an affinity to the law, fairness, consumer protection, reduction of poverty and hunger, older adults, and people with disabilities.

| Instrument | Description | Benefits to Donor |
|------------------------------------|--|--|
| Pooled Trust Account (New!) | A <i>pooled</i> trust operated by a charity (501c3) to protect a beneficiary's (generally a person with disabilities) eligibility for public benefits. Unspent funds (remainders) support the work of the charity when the beneficiary passes. | <ul style="list-style-type: none">• Fees are low relative to other kinds of trusts.• Augments services to the beneficiary to improve quality of life/health provided by public funds.• Prevents a settlement or inheritance from disqualifying a beneficiary for Medicaid, SSI or other public benefits. |
| Gift to Endowment Fund | Donor names charitable organization for a gift in a tax year. | <ul style="list-style-type: none">• Provides annual income to the charity.• May be tax deductible in the year the gift was made. |

| Instrument | Description | Benefits to Donor |
|---------------------------------------|--|---|
| Wills/Bequests | Donor names charitable organization in will. | <ul style="list-style-type: none"> • Provide for family first. • Estate tax deduction in full amount of bequest. |
| Life Insurance | Gift of old or new policy with charitable organization as beneficiary and owner. | <ul style="list-style-type: none"> • Donor makes large gift with little expenditure. • Income tax deduction. • No estate tax when life insurance proceeds are paid to the charity. |
| Appreciated Stock | Gift of stock held by donor “long term” given to a charitable organization. | <ul style="list-style-type: none"> • Avoid capital gains on the increased value of the stock. • Income tax deduction for the full fair market value of the stock at the time of the gift. |
| Retirement Plans/Funds | Gift by naming a charitable organization as a remainder beneficiary after donor’s death | <ul style="list-style-type: none"> • If retirement plan assets pass directly from plan to charity, both income and estate taxes are avoided. |
| Charitable Remainder Unitrusts | Trust: pays variable income (fixed % of value) to donor or other beneficiaries for life or specific term up to 20 years. | <ul style="list-style-type: none"> • Annual income to donor, could increase if trust value increases. • Partial income tax deduction. • No capital gains tax is paid when assets are transferred into the trust. • Estate tax savings possible. |

| Instrument | Description | Benefits to Donor |
|--|--|---|
| Charitable Remainder Annuity Trusts | Trust: pays fixed income (\$ amount) to donor or other beneficiaries for life or specific term up to 20 years. | <ul style="list-style-type: none"> • Fixed annual income to donor or other beneficiaries. • Partial income tax deduction. • No capital gains tax is paid when assets are transferred into the trust. • Estate tax savings are possible. |
| Charitable Gift Annuities | Contract: Donor transfers cash or stock. Charitable organization pays donor a % of gift annually for a lifetime. | <ul style="list-style-type: none"> • Fixed income payments to donor and/or other beneficiaries for life. • A portion of each payment is return of donor's principal and is free from income tax. Part of each payment is taxable as ordinary income. • Capital gains tax reduced and spread over donor's life time. |
| Charitable Lead Trusts | Trust: pays trust income annually to charitable organization for period of years determined by donor, after which gift reverts to donor or heirs | <ul style="list-style-type: none"> • Gift is returned to donor or heirs at reduced tax cost. • Gift or estate tax savings for value of payments to charitable organization. • Trust pays tax on its income and capital gains. • Trust deducts amounts paid to charity. • Amounts paid to charity can be % or fixed amount. |



ELDER LAW OF MICHIGAN, INC.

Elder Law of Michigan is a 501 c3 charitable organization.

Our offices are located at 3815 W. St. Joseph St., Suite C200, Lansing, MI 48917

For more information on how you can assist your clients in fulfilling their estate planning or personal wealth management goals with Elder Law of Michigan, please contact Kate White at 517.853.2375 or Kwhite@elderlawofmi.org.

Elder Law of Michigan has the right to reject any gift which may not be suitable for receipt. Elder Law of Michigan gifts will be received and managed according to the Elder Law of Michigan Gift Acceptance Guidelines.

For information on the Pooled Account Trust, please contact our agent, Tom Trainer at the law firm of Kemp, Klein, at 248-528.1111 or Thomas.trainer@kkue.com.



Elder Law of Michigan participates in the Access to Justice Campaign to increase resources for civil legal aid to the poor in Michigan. The ATJ Campaign is a partnership of the State Bar of Michigan, the Michigan State Bar Foundation and Michigan's civil legal aid programs. Tax deductible contributions to the ATJ Fund are received and administered by the Michigan State Bar Foundation according to the Access to Justice Fund Guidelines located at www.atifund.org.

The Michigan State Bar Foundation has the right to reject any gift which may not be suitable for receipt. Access to Justice gifts will be received and managed according to the Access to Justice Fund Guidelines.