



1776 D Street, NW
Washington, DC 20006-5303
1(800) 449-1776

The *Founders* Club

Your legacy starts today

TO THE WOMEN WHOSE
PATRIOTIC FORESIGHT
MADE POSSIBLE

THE NATIONAL
DAUGHTERS
AMERICAN RE
OCTOBER 31 MD

www.dar.org

National Society Daughters of the American Revolution is a 501(c)(3) organization and all contributions are tax deductible to the full extent of the law.

**NATIONAL SOCIETY
DAUGHTERS OF THE AMERICAN REVOLUTION**





Membership Has Its Benefits

Upon acceptance into the Founders Club, you will receive the following:

- ★ Founders Club lapel pin modeled after the original founder's pin
- ★ Founders Club Member Certificate
- ★ Authorization to purchase official Founders Club pin
- ★ Subscription to the *Legacy for the Future* newsletter
- ★ Invitation to the annual Founders Club dinner hosted by the President General at Continental Congress
- ★ A personalized Founders Club gift
- ★ Special recognition at state conference



The Power of Giving

You can leave a lasting legacy for your descendants while securing the future of the NSDAR. By including the National Society in your will or estate plan, you join the ranks of other dedicated members and friends committed to preserving the dream of our Founders.

Membership in the Founders Club is open to all members and friends who make a planned gift with the NSDAR as a primary beneficiary; such as:

- ★ Gift by will or trust, including charitable remainder trust or charitable lead trust
- ★ Name NSDAR as beneficiary of a life insurance policy or retirement plan
- ★ Fund a charitable gift annuity with NSDAR

As a member of the Founders Club, you are entitled to special benefits that show the National Society's gratitude for entrusting your legacy to the organization.

Start Now...

By supplementing your existing plans, you can maximize income, tax savings, and other benefits. Through the use of one or more of the giving opportunities outlined in this booklet, you can plan for tomorrow with minimal costs today.

Gifts by Will or Trust

After first providing for loved ones, your will or trust is a wonderful way to make gifts that support the work of NSDAR. A gift made by will or trust (also known as a bequest) is accomplished through a simple provision in a new will or trust, or through an amendment to your current plan. Such gifts may be arranged in a number of ways:

- ★ Give all or part of your residuary estate after gifts to loved ones are fulfilled

- ★ Provide a gift of a specific amount
- ★ Designate that a percentage of your estate be given to NSDAR
- ★ Direct a gift of certain property, such as securities, real estate, or other items of value
- ★ Name NSDAR to receive a bequest if other heirs do not survive you

Another option is to create a trust as part of your estate plan that will first provide income to a loved one, with an eventual gift to NSDAR after that person's lifetime or another period of time you determine.





Sample Bequest Language

If you plan to include a gift to NSDAR through your will or estate plan, it is important that your advisors use our correct legal name: **National Society Daughters of the American Revolution (NSDAR)**.

The following sample language can be used to include NSDAR in your will:

“I give, devise and bequeath to the National Society Daughters of the American Revolution (NSDAR), 1776 D Street NW, Washington, D.C., 20006-5303, a charitable corporation created by Act of Congress of the United States (Tax ID# 53-0205923), _____% of the residue of my estate (or the sum of \$_____).”

If you already have a will, your attorney can prepare a simple codicil to include a bequest to NSDAR.

“FROM THE SMALL STONE MARKING THE GRAVE OF A FORGOTTEN PATRIOT TO THE GRANDEST NATIONAL MONUMENT, SUCH AS THE STATUE OF LIBERTY, DAR HAS DEVOTED MILLIONS OF DOLLARS TO PRESERVING THESE SYMBOLS OF *American History.*”

Life Insurance

Life insurance policies that are no longer needed for the purposes for which they were originally purchased can be used to make gifts to further the work of NSDAR. As in the case of gifts of cash and other assets, outright gifts of life insurance policies can result in welcomed tax benefits.

Retirement Plans

Surprisingly, the proceeds of most retirement plans and IRAs left to your family and friends will normally be subject to income taxes, in addition to any estate taxes.

Making any charitable gifts first from your retirement plan at death and giving family other assets may help reduce any estate tax that may be due and also help eliminate any income taxes on these retirement funds.

Other Savings Plans

It may be possible to make similar arrangements by modifying the ownership provisions of bank savings accounts, mutual funds, and other investment accounts. Check with your financial service providers and legal counsel for more information about making gifts in this manner.

“AS A SOCIETY, WE’VE BEEN RE-ENERGIZED BY THE RESURGENCE IN AMERICAN *patriotism*, AND THERE’S NEVER BEEN A MORE EXCITING TIME TO BE A MEMBER OF OUR DYNAMIC ORGANIZATION. ”



Tangible Personal Property

Whether it's a gift of furniture to the museum or a collection of rare books to the library, gifts of personal property are a special way to preserve family and historical heirlooms. These gifts can be donated to NSDAR during the donor's lifetime or bequeathed to the National Society in a will.

All gifts of tangible personal property valued at \$5,000 or more must be appraised by an independent certified appraiser, as required by the Internal Revenue Service (IRS) for tax reporting purposes.

Gifts of tangible personal property valued at \$5,000 or more, as substantiated by an appraisal prepared by an independent certified appraiser and provided by the donor, will qualify the donor for membership in the Founders Club.

Comparing the Benefits

Gift Method:	Donor Receives:	Advantages to Donor:	NSDAR Receives:	Tax Savings:
Bequest by Will	Satisfaction that a meaningful gift has been arranged.	Make a substantial gift without depleting funds needed during life.	A substantial gift to further support the important mission of NSDAR for future generations.	Full income and estate tax deductions when the gift passes to NSDAR.
Revocable Living Trust	Income and assets of the trust can be used by the donor or given to charity or others, as desired.	Opportunity to change the trust (and gift). Can help reduce costs and delays of probate.	Substantial gift, often larger than the donor could comfortably give otherwise during lifetime.	Full income and estate tax deductions when the gift passes to NSDAR.
Charitable Gift Annuity	Fixed annual payments to donor and/or other beneficiary. Rate of payment based on age(s) of annuitant(s).	Donor or other annuitant receives supplement to income. Minimum contribution of \$10,000 is required.	All funds remaining when beneficiary no longer requires payments.	Income tax deduction for a substantial portion of the funds given to NSDAR. Most of each payment is usually tax free over life expectancy.
Deferred Charitable Gift Annuity	Higher future fixed annual payments at time of donor's choosing.	Provide higher future payments, control over start of payments, tax deduction.		
Charitable Remainder Unitrust	Variable annual income to donor and/or other beneficiary(ies). Payout rate determined by donor.	Asset preservation. Supplement income for donor or others. May be created for a term of years to provide income for short-term needs. Donor can choose who manages the trust investments or have NSDAR oversee.	All remaining assets when the trust terminates. Knowledge of the gift helps NSDAR in future planning.	Income tax deduction for the percentage of the assets placed in trust expected to go to NSDAR. Capital gains tax on assets used to fund gift may be avoided and/or delayed.
Charitable Remainder Annuity Trust	Fixed annual income to donor and/or other beneficiary(ies) determined by donor when trust is established.			
Charitable Lead Trust	Ability to transfer more assets to heirs with reduced or no estate or gift taxes.	Can provide larger gift to loved ones free of additional gift and estate taxes at a predetermined date in the future.	Either fixed or variable payments annually for the term of the trust.	May substantially reduce or eliminate gift and estate taxes.

Gifts That Meet Multiple Needs

Charitable Gift Annuities

Under the terms of a gift annuity, you transfer cash or marketable securities to NSDAR. For the remainder of your lifetime and/or that of a spouse or other loved one, you regularly receive generous fixed payments.

The payment rate for a gift annuity is determined by the age(s) of the annuitant(s) when the gift is made, interest rates, and other factors. After the lifetime of all payment recipients, the gift portion of your gift annuity becomes available for use by NSDAR.

A federal income tax deduction is allowed for the gift portion in the year the gift annuity is funded. In addition, each payment is largely free of federal income tax for the beneficiary's life expectancy.

When a gift annuity is funded with appreciated securities, capital gain taxes that may be due on a sale are partly avoided entirely and partly reported gradually over your life expectancy.

Example: Gloria has included a gift to NSDAR through her will. She would also like to make a special gift to NSDAR during her lifetime, but is concerned that she not reduce her income during retirement. She is pleased to learn that a NSDAR Charitable Gift Annuity will provide payments that are higher than the interest she had been receiving from the cash used to fund it.

She also enjoys an income tax deduction, over half of her payments are received free of tax for a number of years, and the funds will not be included in her probate or taxable estate.

Please contact the Office of Development at 1(800) 449-1776 for current charitable gift annuity rates, tax savings, and other benefits available through a NSDAR Charitable Gift Annuity.

A Deferred Charitable Gift Annuity is very similar, but allows a gift and tax deduction today in return for a higher payment later that will start at the time of your choice.



“FOR NEARLY A CENTURY NOW, EVERY YEAR, PARTICULARLY ON FLAG DAY AND INDEPENDENCE DAY, *Daughters* FROM HUNDREDS OF CHAPTERS ACROSS THE COUNTRY DONATE THOUSANDS OF FLAGS THROUGHOUT THE COUNTRY.”

“EACH NEW BIT OF INFORMATION,
EACH NEW LINE INCREASES THE
BREADTH OF *knowledge*
OF THE PATRIOT ANCESTORS AS IT
RENEWS APPRECIATION FOR THE
SACRIFICES THEY MADE FOR THE
BENEFITS OF AMERICANS TODAY.”



Charitable Remainder Trusts

A charitable remainder trust offers a way to arrange a gift to NSDAR as part of your financial plans while first providing income for yourself and/or others you name.

With the help of your advisors, a trust is created and funded with cash or other property. A trustee you choose then manages the property for you and/or other beneficiaries you name.

At the time the trust is created, you determine both the payment rate (minimum 5 percent) and when the trust will terminate. Charitable remainder trusts can pay either a fixed income or an income that will vary with the investment performance of the trust assets.

Payments are made from the trust to you or others you name each year until the trust ends. The trust document specifies when you wish this to occur, such as at the death of the last beneficiary or at the end of a term of years not to exceed 20 years.

When the trust terminates, all remaining assets, the “charitable remainder” become a gift to NSDAR. You are entitled to an immediate income tax deduction for the value of the gift portion and may receive capital gains tax savings in the year you create the trust.

Charitable remainder trusts are particularly good gifting tools for highly appreciated assets such as stocks, bonds, and real estate. In addition to providing a substantial charitable tax deduction, they can also be utilized to avoid or substantially reduce capital gains taxes upon the sale of those assets.

Charitable Lead Trusts

What if there were a way to make a charitable gift using funds that would eventually be returned to you or your loved ones? A charitable lead trust can be used to achieve what at first might seem like conflicting goals.

With a charitable lead trust, NSDAR receives its gift in the form of immediate payments from the trust, for a period of time, in an amount you determine. At the end of that time period, the assets used to fund the trust are returned to you or other loved ones you designate.

Because you devote income to charitable purposes for a period of time, gift and estate taxes that could otherwise be due on gifts to your heirs can be reduced or eliminated.

You may thus be able to make a meaningful gift to NSDAR while you provide your heirs with a larger inheritance than would otherwise be possible.

We will be pleased to work with you or your advisor to explain how a charitable lead trust might meet your particular needs.

“IF THERE WERE NO OTHER REASON FOR THE DAR (AND THERE ARE MANY), OUR WORK WITH *youth* JUSTIFIES OUR EXISTENCE.”



Neither the author, the publisher, nor NSDAR is engaged in rendering legal or tax advisory service. For advice or assistance in specific cases, the services of an attorney or other professional advisor should be obtained. The purpose of this publication is to provide accurate and authoritative information of a general character only. Watch for tax revisions. State laws govern wills, trusts, and charitable gifts made in a contractual agreement. Advice from legal counsel should be sought when considering these types of gifts. Calculations of tax deductions will vary based on applicable federal discount rates which change on a monthly basis. Check for current deduction amounts before completing your gift.

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Ensuring Your Legacy

The information presented in this booklet is intended as a basic guide to the gift planning process. Through careful planning of your charitable gifts, it is possible to meet multiple goals.

By choosing the best method of giving for your circumstances, you can often make a larger gift than you might have thought possible while minimizing or eliminating federal estate and state inheritance, income, capital gains, and gift taxes. This can be accomplished while preserving, or even enhancing, your financial well-being, as well as securing your legacy through NSDAR.

Each of the gifts described here will qualify you for membership in the Founders Club. If you have any questions, please contact the Office of Development at 1(800) 449-1776.



I BELIEVE IN THE UNITED STATES OF AMERICA, AS A GOVERNMENT OF THE PEOPLE, BY THE PEOPLE, FOR THE PEOPLE; WHOSE JUST POWERS ARE DERIVED FROM THE CONSENT OF THE GOVERNED; A DEMOCRACY IN A REPUBLIC; A SOVEREIGN NATION OF MANY SOVEREIGN STATES; A PERFECT UNION, ONE AND INSEPARABLE; ESTABLISHED UPON THOSE PRINCIPLES OF FREEDOM, EQUALITY, JUSTICE, AND HUMANITY FOR WHICH AMERICAN PATRIOTS SACRIFICED THEIR LIVES AND FORTUNES. I THEREFORE BELIEVE IT IS MY DUTY TO MY COUNTRY TO LOVE IT, TO SUPPORT ITS CONSTITUTION, TO OBEY ITS LAWS, TO RESPECT ITS FLAG, AND TO DEFEND IT AGAINST ALL ENEMIES.

—WILLIAM TYLER PAGE,
THE AMERICAN'S CREED