

Use your life insurance to fund charity

A creative way to make the most of life insurance policies

Giving life insurance could be a powerful way to support your favorite causes through a Giving Fund at the National Christian Foundation (NCF). By transferring the ownership to NCF and naming us as the beneficiary of the transferred policy, the net proceeds will be placed in your Giving Fund for granting to charities when the benefit is paid out at death or surrendered for the cash value. You may be entitled to a charitable deduction for the lesser of the fair market value or your cost basis in the policy as well.



IS GIVING LIFE INSURANCE RIGHT FOR YOU?

- Gifts of life insurance should be considered in the context of your complete giving strategy.
- NCF accept gifts of whole, universal, or variable life insurance.
- If the policy is not paid in full, you will need to fund future premiums to keep the policy in force.
- Because policy loans are problematic for both you and NCF, there should not be any policy loan outstanding when the policy is transferred.
- The IRS allows a charitable income tax deduction for the lesser of the policy's fair market value or the cost basis when the gift has been documented as required by the IRS.
- If you do not intend for NCF to liquidate the gift within 90 days, there is a \$100 charge for processing each premium payment.

WHAT ELSE DO I NEED TO KNOW?

- If you and your advisor decide that a gift of life insurance is appropriate in your financial and philanthropic planning, we can start our review and acceptance process when you submit a copy of the policy to us.
- NCF will work with you to transfer ownership of the policy to NCF and name NCF as the beneficiary. Generally, the insurance company has a form online we will need to use to do so.
- An appraisal may be necessary if you are claiming a tax deduction.
- Depending on the value of the policy, approximately 98% of the surrender value or death-benefit proceeds go to your Giving Fund, while 2% supports NCF's ministry and covers any other related costs.

Learn more or get started today

Visit us online at ncfgiving.com/newyork or call us at 212.763.7749