

Gifts of Life Insurance

Most people own some type of life insurance, but few understand how flexible a tool it can be for financial planning. Life insurance offers more than just protection for emergencies. It allows you to build up savings on a tax-sheltered basis to increase your retirement income or provide replacement income for your dependents if something should happen to you.

A gift of Life Insurance can also allow you to make a meaningful donation to SHARE Family and Community Services, at a relatively low cost, to save on taxes, and to protect the value of your estate for your future heirs.

How does a Gift of Life Insurance work?

Option #1: Name SHARE Family and Community Services as OWNER and BENEFICIARY of an existing or new life insurance policy.

In this case, you transfer ownership of an existing permanent life insurance policy to SHARE Family and Community Services. Depending on the state of your health, you may also purchase a new permanent life insurance policy for ownership by SHARE. You will receive donation receipts for the savings that have already built up in the policy (if any), and the value of all future premiums you pay. Therefore, you benefit from tax savings during your lifetime! **This gift arrangement is irrevocable, which means you cannot change the arrangement, once finalized.**

Option #2: Name SHARE Family and Community Services as BENEFICIARY of an existing or new life insurance policy.

In this case, you retain ownership of the policy. Your estate will receive a donation receipt for the value of the policy proceeds paid to the Foundation upon your death. While you will want to make annual premium payments to keep the policy in force, you cannot receive donation receipts for the premiums paid on the policy during your lifetime. The tax credit may be used to reduce the taxes that become payable by your estate in the year of your death. **This gift arrangement is revocable, allowing you to change the beneficiary on the policy at any time, should you so choose.**

You can also name SHARE Family and Community Services as beneficiary of a group insurance policy made available through your employer. Your estate will also receive a donation receipt for the value of the proceeds paid to SHARE upon death. (Option 1 is not possible with a group insurance policy.)

For more information please call SHARE's administration office at 604.540.9161 or contact our Director of Development Valerie Hutton - valerie.hutton@sharesociety.ca.

This material provides general information and is not intended to constitute or replace specific professional advice. Donors considering a legacy gift should speak to an advisor with appropriate tax and other expertise to implement a strategy that achieves their objectives.