

CHARITABLE REMAINDER TRUSTS

You may have an asset that you'd like to become your gift to Sunnybrook, but for now you need the income it provides. A charitable remainder trust allows you to make that gift now, while enjoying an immediate charitable tax receipt as well as income for life or a specified term. Assets are transferred to Sunnybrook Foundation only after a specified term or upon death.

Benefits

- You receive income or use of the property during your life, along with a tax receipt you can use today.
- Placing your asset in a trust frees you from management responsibility and removes the property from your estate, guaranteeing your privacy.
- A trust is separate from your Will and is therefore not included in probate.

How

- You irrevocably transfer your asset into a trust and receive a tax receipt today for the present value of the remainder interest.
- A trust document names you as the beneficiary of the interest income and Sunnybrook Foundation as the remainder beneficiary.
- The trust pays you income for life or specified term outlined in trust document.

Example*

Betty is grateful to have access to a world class health sciences centre, and she wants to leave a legacy gift to ensure that future generations can benefit from innovative care at Sunnybrook. Betty has \$100,000 in cash not earning much in GIC's and faces a large tax bill in the current year. She is 76 years old and is tired of worrying about managing her investments.

After discussions with her financial advisor and family, Betty decides to transfer \$100,000 to a professionally managed trust with the principal protected to go to Sunnybrook Foundation on her death.

- The trustee invests in a balanced fund giving Betty healthy income every year until she dies.
- Betty receives a charitable tax receipt today for the present value of the remainder interest which will reduce her taxes this year.
- On her death, Sunnybrook Foundation gratefully receives \$100,000 directly from the trustee (not from the estate) to support Sunnybrook.

** Numbers are for illustrative purposes only.*