

# Trusts

Charitable Trusts enable donors to accomplish their charitable goals while meeting other important financial objectives.

## Charitable Trusts

Trusts are one of the most flexible estate planning tools available. They allow you to make a gift of investments while retaining them, or the income from them, for your own use. You have the option of transferring cash, bonds, stocks, securities, real estate, etc., to the trust. The assets are then invested or managed by a trustee, and EMAS CANADA can be named as beneficiaries. You can choose from one of the following trusts: Remainder, Revocable or Irrevocable trusts. Annual earnings received become Investment Income for tax purposes.

### Charitable remainder trust

You may want to choose a charitable remainder trust because you have an asset that you would eventually like to donate but, at this time, you still need the income it provides or you're simply not ready to part with it.

### Irrevocable trust

Some donors wish to give a portion of their assets to EMAS CANADA now, but they need the income that the principal is earning. An irrevocable trust agreement is a gift given and held in trust by the ministry, but the earnings are given to the donor for the rest of his/her life. This makes it possible for the donor to share in the work of world missions and at the same time receive the required earnings.

### Revocable trust

A revocable trust is an agreement by which individuals can arrange to make a financial donation at a later date, in exchange for a percentage return on that gift for as long as it remains vested with EMAS CANADA.

At the donor's request, the principal amount of the gift is revocable, if circumstances warrant it. If at death, the gift is still vested with EMAS CANADA, it automatically becomes the property of the organization. Its value at that time is income tax receiptable.

### Life estate contracts

A donor can give his home or farm to a charity and retain the right to live on it and use the property for life. This is a unique method of planned giving that helps both the donor and the charity.

## Benefits of charitable trusts

- You have the satisfaction of furthering the work of the gospel.
- You receive income for life, or for a specified term, paid to the donor or beneficiaries annually or semi-annually. The capital or remainder passes to the organization at the donor's time of death, and is then receiptable.
- Trust agreements do not constitute part of one's estate. They do not go through probate and are not subject to estate or probate fees.

Please tear and mail to the EMAS CANADA National Office.

1. Title:  Dr.  Mr.  Mrs.  Ms.  Miss

First Name

Last Name

Street

City

E-mail address

State/Province

Postal Code

Apt. No.

Home phone

A Charitable Trust gives you income for life and the satisfaction of knowing that lives will be touched by God's love because you cared.

Please give details of intended gift:

I would like more information on setting up a charitable trust for:

EMAS CANADA

Type of trust you wish to set up:

Remainder trust

Irrevocable trust

Revocable trust

Need more information

I would like to make these arrangements in:

1 month

3 months

6 months

Other (Please specify).....

# Charitable Trusts

***Make your gift now  
and continue to enjoy  
the income for the  
rest of your life.***



## **Revocable trust**

In case of necessity, a revocable trust agreement can be withdrawn, in whole or in part, for any reason. Thirty days' notice is all that is required. A tax receipt is not issued for a revocable trust until it is irrevocably donated.

## **Remainder trust**

Unlike a testamentary trust which is set up in a will, a remainder trust is established during a donor's lifetime.

A tax receipt for the calculated value of the deferred gift will substantially reduce the amount of income tax paid. The donor can claim up to 75% of his income in charitable donations. Any excess may be carried forward for up to five years.

You cannot take the gift back at any time or in any part. It is irrevocable.

## **Irrevocable trust**

As with a remainder trust, a tax receipt for the calculated value of the deferred gift is issued, when the agreement is signed.

All **EMAS CANADA** irrevocable trust agreements may carry joint and/or survivor clauses.

For more information, please contact  
the *National Office* at:

### **EMAS CANADA**

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*The purpose of this publication, prepared January 2006, is to  
provide general information, not to render legal or financial advice.  
We recommend that you consult your own professional advisor.*

Insert in envelope and address to:

**EMAS CANADA**

P.O. Box 820, Stn Main

Stouffville, ON

L4A 7Z9

Please tear and mail to EMAS National Office.