

**A GIFT OF LIFE INSURANCE**

**A gift of life insurance is a cost-effective way to make a contribution to United Way Greater Toronto for a fairly small annual premium. You can choose the best option for donation a policy on whether you require tax relief during your lifetime or for your estate.**

**Benefits**

* Affordable annual premiums today can turn into a significant legacy gift to United Way Greater Toronto
* Depending on the policy, you will receive tax savings during your lifetime or for you your estate
* Gifts of life insurance are not subject to probate fees or delays in settlement

**How**

There are many easy ways to make a gift of life insurance:

1. You can take an existing policy that has finished serving its original purpose and simply have the **ownership and beneficiary** designation transferred to United Way of Greater Toronto. This designation cannot be changed.

A charitable tax receipt will be issued for the accumulated value of the policy at the time of transfer. Any continued premium payments also qualify for a charitable tax receipt. United Way of Greater Toronto strongly recommends that you discuss this matter with your insurance specialist before any transfer takes place.

1. You can purchase a new life insurance policy in which United Way of Greater Toronto is named as the owner and beneficiary. You continue to pay the premiums and receive a charitable tax receipt for those payments. Again, this designation cannot be changed.

 **Example\***Mrs. Cavanaugh has a $100,000 life insurance policy for which she still pays premiums of $2,000 a year. The policy also has $5,000 built up cash value in the policy. She irrevocably transfers it to United Way of Greater Toronto.

Here is what happens:

* Mrs. Cavanaugh creates a future gift when she dies in the amount of $100,000 filling her with a sense of satisfaction and happiness knowing that her support will have a significant impact on the lives of so many future Torontonians.
* She receives an immediate tax credit of $5,000 giving her approximately $2,250 to $2,300 return for her current tax year.
* She receives a tax credit every year that she continues to pay for the policy of $2,000 for which she gets back approximately 45% (in Ontario).

\**Numbers are for illustrative purposes only*

 **Professional advice**

United Way Greater Toronto encourages all our donors who are planning a legacy gift to seek independent legal and financial planning advice to ensure your financial goals are considered, your tax situation reviewed, and that your legacy gift is tailored to your circumstances.