



American Legion Auxiliary

Planned Giving Guide



In the Spirit of Service Not Self
for Veterans, God and Country

The American Legion Auxiliary
has been here for nearly 100 years.
Plan to give now so we'll be here
for future generations.



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This guide introduces you to planned giving. No gift is too small. All gifts leave a lasting impact. This guide is not to be considered legal advice. It is intended to encourage you to think of your future, the Auxiliary's future, and to consult with the proper legal, financial, and tax professionals to help you accomplish your future giving goals.

What Is Planned Giving?

How does planned giving benefit the ALA?

Planned giving is the process of thoughtfully including a charitable gift in your estate plans. It is a planned gift made in life or at death as part of the donor's estate or financial planning. By contrast, things such as dues payments and regular donations come out of one's own discretionary income. These are budgeted gifts, not "planned gifts."



Because the administrative costs of our programs are paid from dues and other sources, all money contributed to the American Legion Auxiliary is used to benefit the intended Auxiliary program, service, department or the Auxiliary Foundation. An estate is anything you'll have left after you pass. You don't need a large estate to give and make a lasting impact. As Linda Boone of the Department of Oregon said, "A lot of people feel like, 'Well, I don't have enough,' but sometimes we have resources when we die that we don't have (in life)."

Some of the more common means of planned giving include:

- ★ gifts through will or trust
- ★ gifts through retirement plans
- ★ gifts through life insurance policies

PASSION

The Importance of a Will

Isn't It Only for The Wealthy?

Studies estimate that nearly three-quarters of people under the age of 40 and more than half of those older than 40 don't have a will. You don't need to be wealthy to have a will. Dying without having established a valid will means your assets could be distributed to your heirs by the state; not necessarily how you would have wished.

It is never too early or too late to compose a will or estate plan. The future is impossible to predict, and unforeseen circumstances can arise. Be prepared. Plan now.



DID YOU KNOW?

Approximately 65 percent of adults do not have a will or estate plan. Making a will is easy and helps ensure your assets are distributed according to your wishes.



+ PURPOSE

Does Any Amount Help the Auxiliary?

Yes! No matter the size of any individual donation, collectively, every gift adds up to helping ensure the Auxiliary is here for generations to come. You can establish your legacy of belief in the Auxiliary when you include the Auxiliary in your estate plans and other financial preparations — otherwise known as planned giving.

The American Legion Auxiliary has a legacy of giving back to our veterans, military and their families. Our members have established this tradition through nearly 100 years of mission-related programs that serve veterans and active duty military, develop our youth and promote patriotism in communities across America.



Newly elected 1970-1971 officers pose at convention. My, how times have changed, and the 70's were not that long ago.

PAST + PRESENT

Why Planned Giving Is Important

People of all backgrounds, education, and income levels rely on a variety of planned giving methods to provide for their loved ones as well as support beloved charities, such as the American Legion Auxiliary. In fact, many methods of planned giving ensure that assets that would otherwise be subject to heavy taxation are instead given to dear causes; this means the assets you leave loved ones are taxed less. Through planned giving, donors are able to meet their current and future financial needs while providing the Auxiliary with financial support later. You leave a lasting impact on our mission of Service Not Self for generations to come.

Individual gifts are critical to support the American Legion Auxiliary's wide range of programs and services vital to helping veterans, military and their families. That need is increasing. A new generation of young, wounded veterans will need our help for decades to come.



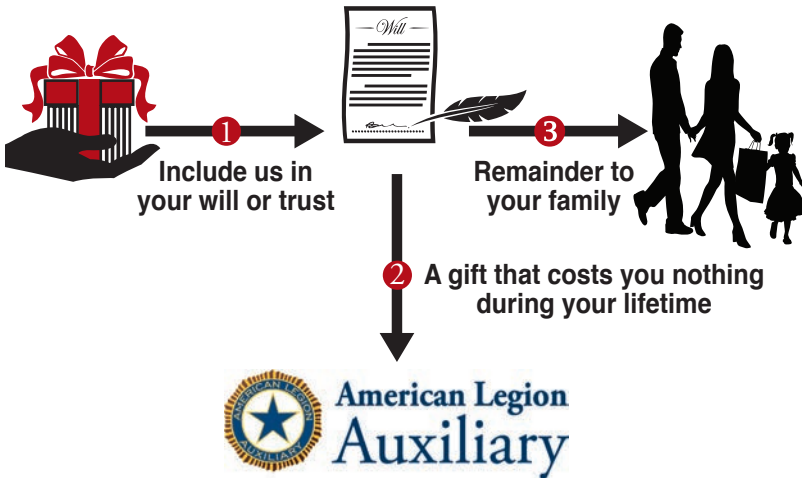
DID YOU KNOW?

It's important to keep your plans up to date. Life changes like marriage, divorce, the birth of a child, or even new laws can make your old estate plan inadequate.



+ FUTURE

Gifts Through Will or Trust



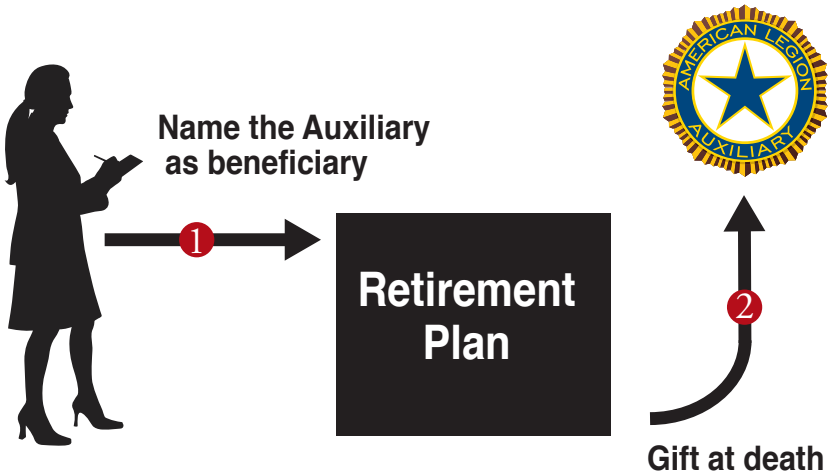
How it Works:

- 1) You include a bequest in your will or revocable trust
- 2) Upon your death, your will or trust directs the bequest to the American Legion Auxiliary for the purpose(s) you specified

Benefits:

- 1) You can change your bequest at any time
- 2) Your assets remain in your control during your lifetime
- 3) If your estate is subject to estate tax, your gift is entitled to an estate tax charitable deduction for the gift's full value
- 4) You can direct your bequest to a particular program (please be sure to check with the American Legion Auxiliary to ensure your gift can be used as intended)
- 5) You have the satisfaction of knowing your bequest will ensure the American Legion Auxiliary lives up to the needs of our veterans and military families forever

Gifts Through Retirement Plans



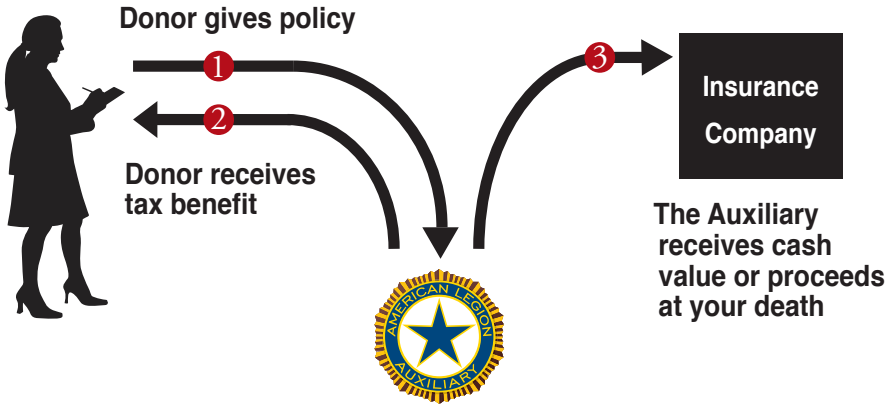
How it Works:

- 1) You name the American Legion Auxiliary as a beneficiary for a specific amount or percentage of your retirement plan benefits
- 2) Upon your death, your plan administrator transfers those designated funds to the American Legion Auxiliary

Benefits:

- 1) Your funds bequeathed to the American Legion Auxiliary will not be subject to federal income taxes, according to current tax law
- 2) Please contact a professional tax advisor to check if your funds will have federal estate tax liability
- 3) You have the satisfaction of knowing your gift will provide future support to the American Legion Auxiliary

Gifts Through Life Insurance Policies



How it Works:

- 1) You assign specific rights in an insurance policy to the American Legion Auxiliary and receive an income tax deduction
- 2) The American Legion Auxiliary may either surrender the policy for its current cash value or hold it and receive the proceeds upon your death

Benefits:

- 1) You receive a federal income tax deduction
- 2) You can contribute a fully paid-up policy OR
- 3) If premiums remain to be paid, you can receive income tax deductions for contributions to the American Legion Auxiliary to pay these premiums
- 4) You can name the American Legion Auxiliary as owner and beneficiary of a new policy and make continuous gifts to offset premiums the organization will pay to maintain the policy. There is no charitable deduction for this option
- 5) You have the satisfaction of knowing your gift will provide critical support to the American Legion Auxiliary in the future

Other Options For Planned Giving

★ Charitable/Deferred Gift Annuity

You can give money or assets to the Auxiliary and in turn receive fixed payments for life from the Auxiliary.

★ Gifts of Real Estate

You can give the Auxiliary the remaining portion of your estate that remains after all administrative expenses, taxes, and specific bequests have been paid.

★ Stock and Appreciated Assets

Similar to bequeathing a life insurance policy or retirement plan, you can bequeath these assets to the Auxiliary.

★ Retained Life Estate

You deed a residence or farm to the Auxiliary now. You pay the property's taxes, maintenance fees, and insurance and retain the right to occupy, rent, or make improvements to the home. Upon your death, (and/or person you choose to retain the rights) the Auxiliary receives the property.

★ Charitable Lead Trust

A trust designed to reduce beneficiaries' taxable income by first donating a portion of the trust's income to charities and then, after a specified period of time, transferring the remainder of the trust to the beneficiaries.

★ Charitable Bargain Sale

The sale of a good or service to the Auxiliary for less than the fair market value of the good or service received.

★ Unitrust

Similar to an annuity trust. The payment to beneficiaries is determined by multiplying a fixed percentage by the fair market value of the trust assets as revalued each year.



Patients at the NY VA Hospital select gifts for their wives at one of the many Auxiliary Gift Shops in 1961. The ALA gift shop program is still an important Auxiliary mission outreach for U.S. veterans around the world.

“I am grateful to the organization that gave me the opportunity to serve as one of its National leaders. I believe the choice of giving a planned gift at the end of my lifetime represents my caring connection with the American Legion Auxiliary. A connection that I believe continues to support the growth of programs and services to our veterans, their families, and the communities we live in for generations.”

★ Rita Navarreté, Department of New Mexico

Sample Bequest Language

- 1) **Percentage of Total Estate for Unrestricted Purposes:** I hereby give and bequeath _____ percent (%) of my total estate to the American Legion Auxiliary, National Headquarters located at 8945 N. Meridian Street Suite 200, Indianapolis, Indiana 46260, to be used to support the American Legion Auxiliary mission.

- 2) **Percentage of Residual for Unrestricted Purposes:** I hereby give and bequeath _____ percent (%) of the rest and residue of my estate to the American Legion Auxiliary, National Headquarters located at 8945 N. Meridian Street Suite 200, Indianapolis, Indiana 46260, to be used to support the American Legion Auxiliary mission.

- 3) **Specific Amount for Unrestricted Purposes:** I hereby give and bequeath the sum of \$_____ to the American Legion Auxiliary, National Headquarters located at 8945 N. Meridian Street Suite 200, Indianapolis, Indiana 46260, to be used to support the American Legion Auxiliary mission.

- 4) **Specific Amount for Specific Purposes:** I hereby give and bequeath the sum of \$_____ to be used for _____ at the American Legion Auxiliary, National Headquarters located at 8945 N. Meridian Street Suite 200, Indianapolis, Indiana 46260.

- 5) **Contingent Bequest:** In the event that my spouse predeceases me, the Trustee shall distribute \$_____ to the American Legion Auxiliary, National Headquarters located at 8945 N. Meridian Street Suite 200, Indianapolis, Indiana 46260, to be used to support the American Legion Auxiliary mission.



2012 American Legion Auxiliary Girls Nation participants. The ALA Girls State Program is more than 70 years old. ALA Girls Nation is the premiere experiential leadership development program for female high school students in the country. ALA Girls Nation “senators” are one-in-a-million!

“I have lived and breathed the ALA since I was 21 years old and I have to demonstrate that commitment. The ALA gave me so many opportunities that I have an obligation to pay that back. (Planned giving) is about being in control of your legacy; it’s about being able to have the last word. A lot of people feel like, ‘Well, I don’t have enough,’ but sometimes we have resources when we die that we don’t have (in life). I’m not a rich person; I’m an average person. I want to focus all my philanthropy on something that can make a difference. I want to make sure we all realize it always takes money. We are the largest patriotic organization of women and we need to remain that and its always going to take resources. Start giving to the organization that’s giving so many opportunities and is saving the lives of thousands of veterans.”

★ **Linda Boone, Department of Oregon**

Important Points to Remember

★ You don't need a large estate to give and make a lasting impact. Regardless of how much or little you own or have in assets, your gift to the ALA is crucial.

★ You can give through: wills, trusts, retirement plans, life insurance policies, charitable/deferred gift annuities, gifts of real estate, stock and appreciated assets, retained life estate, charitable lead trusts, charitable bargain sale, and unitrusts.

★ If you die without a valid will, your assets are distributed according to state tax rules, not your wishes.

★ You can change your will at any time at your discretion.

★ To include the ALA in your will, you will likely need:

- 1) ALA's full legal name: American Legion Auxiliary
- 2) ALA's mailing address: 8945 North Meridian Street, Indianapolis, Indiana 46260
- 3) ALA's tax exemption identification number: 35-0144340
- 4) ALAF's tax exemption identification number: 26-1484144

★ The following can be used for a bequest of a general nature: "I give, devise, and bequeath to the American Legion Auxiliary, federal tax identification number, 35-0144340, residing at, 8945 N. Meridian St., Indianapolis, Indiana 46260, the sum of _____ (or describe the real or personal property or percentage of your estate to be used for its general purposes)."

Disclaimer: Neither the author, publisher nor organization are legal or tax advice providers. These examples are general and may not apply to all individuals. The purpose of this publication is to provide accurate and authoritative information of a general character. Prospective donors should consult their personal tax and financial advisors for specific details about making a gift to the American Legion Auxiliary. State laws govern wills, trusts and charitable gifts made in contractual agreements. Professional advice should be sought when considering these as well as all other gifts.



1959 Miss Poppy, 7-year-old Candy Fisher, shown here with first lady Mamie Eisenhower and chaperone at the White House. Styles change, but the importance of the ALA to the U.S. Department of Veterans Affairs remains vital. Donations to the Poppy fund raise \$2 million annually, and 100 percent is distributed to veterans in need.

“(A planned gift) tells the organization that you believe in it to the point that you want it to continue even after you’re gone and can’t make a direct contribution. This is something that I’ve felt ever since I became active on the national level: We need to alert our members that (planned giving) isn’t a big deal; it needs to be done. It’s significant no matter how small or large it is. When you add that amount to a hundred other amounts, it amounts to something big. And that’s what we need to carry on the work of the Auxiliary.”

★ **Linda Newsome, Department of Maryland**

GIVE TODAY

Generous Legacy Gifts

The American Legion Auxiliary Emergency Fund recently received a most generous gift from the late **Grace S. Schultz**. Grace was a Paid Up For Life Auxiliary member of Illinois' Unit 232. She enjoyed 74 years of continuous membership until her passing on July 21, 2010. She continued her legacy of giving through a charitable gift in her will, bequeathing \$61,000 to the National Auxiliary Emergency Fund. She directed similar contributions in her will including the American Legion Auxiliary Square Unit 232 and the American Legion Square Post 232 in Illinois.

Lillian Vitelli left a generous gift to the national Auxiliary Emergency Fund. Vitelli was a dedicated 12-year member of North Carolina Unit 24 until her passing on January 24, 2012. She chose to continue her legacy through a charitable gift in her will, bequeathing \$5,000 to the National Auxiliary Emergency Fund.

The American Legion Auxiliary received a special bequest from **Inez S. Shaffer**. She was a Paid Up For Life Auxiliary member of Wisconsin Unit 12 and enjoyed 24 years of membership in the Auxiliary. In her will, she left a legacy-creating unrestricted gift of \$18,000 to the American Legion Auxiliary, National Headquarters.

Helen Colby Small of Burlington, Wis., was a devoted member of Ross Wilcox Unit 79. She joined the Auxiliary in 1929 and was active until her passing in 1969. With her generous gift of \$106,000, she enabled the American Legion Auxiliary to establish and initially fund the American Legion Auxiliary Emergency Fund in 1969. Because of her, the Auxiliary continues to offer grant assistance to its members.

FOR TOMORROW

“The ALA is a family. I’ve grown up in this family. My parents signed me up when I was four days old. My entire family: parents, aunts, uncles, et cetera, are all gone. My whole family is the ALA. So, it made sense for me to leave money to the Auxiliary — my family. The hardest part of a will or a trust is that you have to think about someday I’m not going to be here. And most people don’t like to think about that. But, when you do it it’s a really, really good feeling. I might not be here tomorrow, but when I’m gone, I can make a difference. We care so much about our mission, but we need to keep our mission alive so that when we’re gone, the work continues. We go to meetings; we volunteer; sometimes we don’t think beyond our own little time. And I think that’s what people forget.”

★ **Nancy Brown-Park, Department of California**



In 1947, ALA volunteers Mrs. J.B. Kirkpatrick and Mrs. H. Whitehead show the true spirit of Christmas in Florida where the annual Joy Shop provided gifts to patients to send to their families. Joy continues to be spread by Auxiliary volunteers in VA medical centers across the country.

Frequently Asked Questions

★ I'm not wealthy. So, even a small amount helps?

That's right! You don't need a large estate to give to the ALA and make your lasting impact. If every member who passed away since 2010 had bequeathed \$100 to the Auxiliary, the total would have exceeded \$4.3 million! Small amounts collectively add up!

★ How do I know which giving option is right for me?

Deciding on a planned gift is much simpler than it may appear:

Step 1: Consider your charitable passions.

Step 2: Identify your financial plans and goals.

Step 3: Talk with us about your desire to give.

Step 4: Discuss your ideas and goals with your personal accountant or financial advisor.

Step 5: Take the necessary steps to enact your goal and fulfill your charitable passions.

★ How will my planned gift be used?

Your generous donations go directly to the mission of the American Legion Auxiliary — to honor the sacrifice of those who serve by enhancing the lives of our veterans, military, and their families, both at home and abroad. For God and Country, we advocate for veterans, educate our citizens, mentor youth, and promote patriotism, good citizenship, peace, and security.

★ Do I need to request a specific use for my gift?

No, you don't need to specify any particular use for your gift. In fact, we suggest giving an unrestricted gift so that your gift is used where the need is the greatest.

★ Can I donate to the American Legion Auxiliary Foundation?

Yes. Donating to the American Legion Auxiliary Foundation will ensure that our hands-on mission outreach programs provide comfort, aid, and education to future generations of veterans, servicemembers, and their families.

★ Can I donate to my Department?

Yes, you can bequeath a donation to your Department. Each state will be different so we encourage you to contact your department secretary to find out how to proceed

★ Do I need to notify ALA National Headquarters if I intend to leave them a bequest?

While you do not have to notify ALA National Headquarters of your intent, we strongly suggest that you do. This will allow us to properly thank you for your support, learn more about your intent, and help you during the process.



2012 Active-Duty Servicewoman of the Year winners. The ALA has bestowed these awards for many years.

“My family and I have served veterans and their families through the American Legion and Auxiliary for over thirty years. We believe that the work we do is vital and makes life just a little bit easier for our American heroes who have given so much for us. To preserve the programs and ensure that they are funded to perpetuity is the reason that I plan to leave a bequest to the American Legion Auxiliary Foundation.”

★ **Kris Nelson,**
Department of Minnesota

For More Information

The American Legion Auxiliary would like to encourage anyone considering a planned gift or who already has included the American Legion Auxiliary in their financial and/or estate plans to inform us of your intentions and allow us the opportunity to properly thank you for your generosity. Please, contact our Development division.

To learn more about your giving options, please visit www.ALAforVeterans.org or contact our Development division at (317) 569-4500 or development@ALAforVeterans.org.

The American Legion Auxiliary gratefully acknowledges our members mentioned in this guide. We thank them for their willingness to share their stories about the importance of including the American Legion Auxiliary in their estate planning.

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Notes:

Give today so we can help him protect our freedom tomorrow

The American Legion Auxiliary Foundation ensures that our programs serve future generations of U.S. veterans, military and their families.

When you give to the American Legion Auxiliary Foundation, you help secure our mission and heritage of service to enhance the quality of life for those who serve us now and those who will serve us tomorrow.

Continue your legacy of service by sending a check or money order payable to:

American Legion Auxiliary Foundation
American Legion Auxiliary National Headquarters
8945 N. Meridian Street
Indianapolis, IN 46260

Photo: Ally Mae Images / Amanda Macear



AMERICAN LEGION AUXILIARY
FOUNDATION

Visit us online at www.ALAFoundation.org

American Legion Auxiliary Mission:

In the spirit of service, not self, the mission of the American Legion Auxiliary is to support The American Legion and to honor the sacrifice of those who serve by enhancing the lives of our veterans, military, and their families, both at home and abroad.

For God and Country, we advocate for veterans, educate our citizens, mentor youth, and promote patriotism, good citizenship, peace and security.



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www.ALAFoundation.org**

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