



CHARITABLE LEAD TRUST

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A charitable lead trust (CLT) is designed to reduce the cost in taxes of transferring assets to the next generation while providing a gift for Moravian University now. A CLT minimizes the taxes your beneficiaries pay by first contributing a portion of the trust's overall return to Moravian University and then, after a specified period of time, transferring the remainder of the trust to your beneficiaries.

WHY MIGHT A CHARITABLE LEAD TRUST BE APPROPRIATE FOR ME?

For people who have significant assets, a CLT provides gift and estate tax relief.

- Assets valued at \$500,000 or more are contributed irrevocably to a trust. You choose the term of the trust and other specifications.
- The trust makes regular payments to the program or fund of your choice at Moravian University.
- When the trust term ends, the remaining assets, including any appreciation of the assets, are paid to your designated heirs.
- The taxable value of the gift to your heirs is offset by a deduction for the present value of the payments that will be made to Moravian University.

WHAT ARE THE ADVANTAGES OF A CHARITABLE LEAD TRUST?

Some of the advantages include:

- The present value of the payments provided to Moravian University reduces your gift and estate taxes.
- Income earned from trust assets is not included in your individual taxable income.
- The amount and term of the payments to Moravian University can be used to reduce or even eliminate the transfer taxes due when the principal passes to your heirs.
- You have the pleasure of providing needed funds through the charitable payments from the trust.
- Your family benefits from the University's expert money management without a fee.

LET US HELP YOU PLAN.

The Department of Development & Alumni Engagement is available to answer any questions and provide you with a confidential, no-obligation illustration to show how a charitable lead trust would benefit you and your specific situation. As with any charitable gift agreement, we encourage you to consult with your financial adviser as well.

Call us today toll-free at 800-429-9437, inquire via email at plannedgiving@moravian.edu, or visit our planned giving website at moravian.edu/giving/planned-giving.