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FOR IMMEDIATE RELEASE
Attention: Financial/lifestyle reporters

Leaving a legacy to charity good for taxes and soul
62 per cent of Canadians donate during lifetime, but only seven per cent do in wills

(Vancouver, BC) -- Death may be inevitable but taxes don't have to be if, in your will, you leave a legacy to a charitable organization, says the Canadian Association of Gift Planners (CAGP).

Leaving a legacy can reduce the tax burden on your beneficiaries so you can leave this world peaceful in the knowledge you've done something good for the soul that helps others. Legacies, also known as bequests, are a distribution from one's estate to a charitable organization through a last will and testament.

It's a rare win-win situation in what would categorically be a no-win situation. It's a trend that's slowly on the rise but the CAGP says too many opportunities are lost for charitable organizations – and those they serve – to benefit.

According to the CAGP, more than 62 per cent of Canadians contribute to charitable organizations throughout their lifetimes, but only seven per cent continue this support through a legacy in their will or estate plan.

In the years ahead, more than \$1,000,000,000 (one trillion dollars!) will be transferred by Canadians from one generation to the next by means of individual estates – nearly enough to buy off the entire assets of the Deutsch Bank Group, one of the world's largest banks. Imagine the difference even a small handful of that money would make for charitable organizations serving their communities in BC and across Canada?

Thankfully, some organizations, such as the BC Society for the Prevention of Cruelty to Animals (BCSPCA), are working to ensure this forward-thinking philanthropic venture is being used to benefit and protect their charitable initiatives.

Almost 50 per cent of the BCSPCA's charitable donations arrive in the form of legacies says Simon Trevelyan, BCSPCA's general manager of revenue development. That's a considerable increase from a decade ago when the share was less than one-quarter of charitable donations. Trevelyan attributes this success to a proactive legacy marketing program that illustrates to potential benefactors how their legacy can make a difference in the lives of forgotten and abused animals.

"Our charity is well-positioned because of the universal appeal of animals, especially to older people who may not have children but may be very attached to their pets," said Trevelyan.

In fact, a legacy to the BCSPCA resulted in a secondary benefit to all BCSPCA donors. It began when Trevelyan was contacted by a kindly, elderly gentleman in Hope who was dying and wanted to make a legacy to the BCSPCA.

"I went to visit him in his home which he shared with two cats, a 21-year-old and a two-year-old stray," said Trevelyan. "He offered us the legacy on one heartfelt condition: that the BCSPCA would take care of and find good homes for his beloved companions after he died."

The BCSPCA followed through on its promise, providing medical care and accommodation for his cats after his death. [A good home was found for both cats with a couple who were able to provide special care to the older cat who needed regular daily injections.](#) “The cats went on to live happily and comfortably. The older cat even lived to the age of 24,” said Trevelyan.

But the realization that other cases such as this may exist among older or dying pet owners resulted in the invention of the Pet Survivor Care program – a BCSPCA program that ensures surviving pets go to loving homes. “Of course, participating in the program is not contingent on leaving legacies, but the BCSPCA certainly welcomes them,” added Trevelyan.

Ironically, as Trevelyan points out, charitable organizations stand to benefit from the spectacle of ridiculously-escalating real estate prices. “In so many cases, there are older people who bought real estate years and years ago when it was affordable, were reluctant to move over the years and, when they die, have a massive legacy to offer charitable organizations.”

Sadly, despite the significant tax savings and good feeling donors stand to achieve from leaving legacies, not enough are doing it.

Margaret Mason, a lawyer specializing in estate planning with Bull, Housser & Tupper LLP in downtown Vancouver, prepares more than 100 wills a year. However, she says that the vast majority of people aren’t aware of the advantages and opportunities of leaving a legacy. Part of her job is to counsel them in that.

“I think every lawyer preparing wills is not doing his or her job if the client hasn’t been asked to consider leaving a legacy. Just such a legacy can have a major impact on the tax picture of the estate and help the client fulfill his or her financial objectives,” said Mason.

“Part of my normal practice is to ask clients if they have considered leaving a legacy to a charity. The tax benefits are considerable. A \$10,000 legacy generates a tax credit which can be applied against the tax owing in the donor’s estate after the donor dies. Obviously, it depends on the financial picture of the estate in question; however, a sizeable legacy could eliminate all taxes owed on death, as well as the donor’s taxes in the prior year. And no one can overestimate the value of the “feel-good” benefit.

“Unfortunately, most people don’t necessarily think about it. It’s a shame because it’s so easy to incorporate in the will and doesn’t increase the estate planning fees. It can be as simple as one sentence, but the gift’s potential to benefit a community via a charitable organization can resonate for years,” added Mason.

This week, financial planning and legacy experts will be talking about the benefits of leaving legacies at an information workshop hosted by the Leave A Legacy program of Greater Vancouver. For more information on the Thursday, June 15 workshop and the topic itself, visit www.leavealegacy.ca

The Canadian Association of Gift Planners/Association canadienne des professionnels en dons planifiés supports philanthropy by fostering the development and growth of gift planning throughout Canada. Formed 11 years ago with 11 founding members, CAGP_ACPDP™ has grown to over 1200 members representing charities and professional advisors across Canada. Leave A Legacy is the public awareness program of CAGP.

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