

## A LEGACY FOR YOUR FAMILY *and your hospital*

*After family and friends are cared for, we hope you will remember your local hospital, WDMH, by leaving a gift in your will to the WDMH Foundation.*

Most of us live pretty simple lives.

We learn. We work. We raise our children and our pets. Most of us reach the end of our lives without great riches or fame. Yet, if we have lived well, our lives have been fulfilling and full of rich memories.

As we contemplate our wills, we make important choices. We decide who will receive our treasures when we're gone – and who's worthy of those gifts. Many of us choose to provide for spouses, children, and grandchildren, if we have them. Some of us choose to include those causes and organizations that have meant so much to us during our lifetimes.



A simple provision in your will to leave a gift of your assets to the Winchester District Memorial Hospital Foundation would be a deeply personal, forward-thinking way to connect with our mission. When you want to reduce or even eliminate your final income taxes, a well-planned charitable gift is ideal. You can make a gift in your will, maintain financial security during life and reduce estate taxation at the same time.

We welcome the opportunity to work with you and your advisors to develop a gift plan that will be personally meaningful to you, and bring maximum benefit to the WDMH Foundation. You can consult directly with us to have a custom clause prepared for you or have your lawyer call us to discuss your plans in confidence.



## YOUR WILL

There are only 3 possible beneficiaries of an estate, and, in some cases, by planning ahead, you can lower or avoid taxes through charitable giving.



## FAMILY AND FRIENDS FIRST

After your loved ones are taken care of, what to do next?



## CHARITY (GIFTS)

A Legacy from donated assets, no tax loss.



## GOVERNMENT (TAXES)

Eats up investments and savings

**YOU CAN ONLY CHOOSE**  
if you plan ahead in your will.

### Arranging a Gift in Your Will

Whether you are considering a revision of your current will, or you are about to have a will drafted for the first time, arranging a gift to the WDMH Foundation in your will is easy to do. The following guide contains suggested wording that will assist you in discussions with your lawyer. The easiest, least expensive way to make a small change in your existing will is to add a codicil<sup>1</sup>, which retains all the existing provisions, except those modified by this addition. If you have a will and are considering a legacy gift to the WDMH Foundation, the addition of a codicil should be discussed with your lawyer.



<sup>1</sup> A codicil is an addition or supplement that explains, modifies, or revokes a will or part of one.

**A DEFINITION:** Most people are uncertain about the meaning of words and terms used in estate and charitable gift planning. Throughout this document we use the word “bequest” as a synonym for both “gift by will” and “legacy gift”. They are only used in the context of arranging charitable gifts.

In order to be exempt from paying capital gains on shares/securities that are donated through a will/estate, the estate must be designated as a Graduated Rate Estate by the Canada Revenue Agency.

## *Which type of bequest is right for you?*

You may be concerned about the uncertainty surrounding the size of your estate when you pass on. After all, none of us knows how much longer we'll live – or what the value of our estates will be when we pass from this world.

People are often happy to find out that they don't have to leave a fixed amount of money. There are two other ways to make bequests that ease the worry about estate size and the gift amount.

- Many people choose to make what are known as "residual gifts." This type of donation is in fact the "leftovers" after all of a person's fixed obligations and priorities are met. So, for example, someone could leave a certain amount of money to each child and/or grandchild – and then leave the remainder to the WDMH Foundation.
- Others prefer to leave a percentage of their estate to the WDMH Foundation. For example, someone with three children and four grandchildren might divide his or her estate into eight equal portions. Each child and grandchild will receive an equal portion – and the final portion might be donated to their favourite charity, like the WDMH Foundation.

## *Restricted or Unrestricted*

**A legacy gift for the WDMH Foundation falls into two basic categories:**

- Unrestricted gives full discretion to the WDMH Foundation's Board of Directors. If you prefer to have the Foundation decide how your gift will be allocated, according to the hospital's most pressing needs at the time (as we can't predict these well into the future), an unrestricted gift allows the Foundation the most flexibility.
- Restricted for a purpose designated by you. When describing a legacy gift to the WDMH Foundation, it is common to specify the purpose. You may prefer to know that your legacy will support a specific Fund. In this case, please refer to the "[Plan Your Gift Fact Sheet](#)" to see a list of our current funds in advance of writing a restricted gift in your will.

The priorities of WDMH are ever changing so we strongly recommend that you include authorization in your will enabling the Foundation's Board of Directors to make changes in use of all restricted legacy gifts, using what's called a Power to Vary Clause (see example in the "[Sample Will and Bequest Language](#)" document in the [Resources Section of the Foundation's website](#)). The WDMH Foundation will only make changes in keeping as close as possible with the spirit and general intent of the gift. It is important to us to honour your intentions.

## *The Most Common Types of Bequests*

Please see the "[Sample Will and Bequest Language](#)" document in the [Resources Section of the Foundation's website](#) for more information on how best to word these types of gifts within your will before you go to see your lawyer.

- **RESIDUAL BEQUEST:** The WDMH Foundation receives a portion of the remainder of your estate after other specific bequests have been fulfilled.
- **SPECIFIC BEQUEST:** The WDMH Foundation receives a specific dollar amount or percentage of your estate or a specified gift of property (e.g. real estate).
- **TAX ELIMINATOR BEQUEST:** your estate trustee would calculate the final income taxes owed on your Terminal T1 tax return<sup>2</sup> and make an equivalent charitable gift that will eliminate final taxes.
- **CONTINGENT BEQUEST:** The WDMH Foundation would receive a stated share of your estate, but only in the event of the prior death of other named beneficiaries.

<sup>2</sup> A Terminal T1 tax return reports all of the deceased's income from January 1 of the year of death, up to and including the date of death.



## From Donor to Philanthropist

People are often surprised to learn how their wills can transform them from “ordinary donors” to “philanthropists.” It’s actually simpler than you might think.

Most of us make charitable donations during our lifetimes from our disposable income that we have budgets for managing. Meaning we only have so much money per month to spend – and we choose to allocate some of that money to achieve good works through the charities we support.

But - our assets, not our income, give us a different opportunity. Take, for example, a couple who bought their (mortgaged) home in the 1970s for \$30,000. Later, they bought a piece of land and built a modest summer cottage or cabin. They continued to work year after year. They raised their kids and sent them to school. Grandchildren were born and mortgages were paid off.

Today, that \$30,000-home and modest summer place could well be worth \$500,000 or more. When this couple passes on, a half million dollars (or the properties themselves) will be passed on to someone. And that asset (along with all of their other income and investments) will be eligible to be taxed at the applicable rate. Charitable giving can offset these taxes so that more of your estate can be passed on to your heirs, instead of the government. That’s why more than a million Canadians have decided that they can include charities as well as family in their wills. They realize that they can provide for loved ones and make truly meaningful gifts to the causes and charities they care most deeply about.



## See Your Impact in Person

Gifts in wills are indeed sacrificial gifts. But the sacrifice need not deprive those you love most – nor be a struggle for you as you put your affairs in order.

Your estate gift makes you a member of our family. Your investment in the future of WDMH is a true commitment to the compassionate excellence we strive for every day. If you ever want to receive a tour of the hospital, please let us know and we would be happy to arrange one for you.



TALK WITH YOUR FAMILY. TALK WITH YOUR ADVISOR. TALK WITH US.



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*Please note that the information included in this fact sheet is not intended as legal, financial or tax planning advice. When considering any planned gift, you should always consult professionals and your family (as preferred).*