



# PRAIRIE

C O L L E G E

## PLANNED GIVING SUMMARY

### Life Insurance

There are a number of ways you can leverage a life insurance policy to benefit you or your loved ones immediately or upon your passing:

#### Future Tax Relief

Purchase a life insurance policy and name Prairie as the beneficiary. Your estate will receive a tax receipt for the policy's death benefit (which will help to offset or eliminate taxes owed by the estate) and Prairie will receive the cash benefit of the policy.

#### Current Tax Relief

Would you like to give a sizeable gift to Prairie on your passing and enjoy tax relief now?

Purchase a life insurance policy and name Prairie as the owner. Every time you make a premium payment, you will receive a tax receipt for the value of the premium.

### Gift RRSP/RRIF

If you have sufficient income from other sources and want some extra tax relief, you may want to gift a portion of your RRSP/RRIFs. Depending on your tax bracket, this will generate a credit negating taxes on the RRSP/RRIF as well as a credit for other taxes you may owe.

### RRSP/RRIF – Convert to an Annuity

Taxes on your RRSP or RRIF cannot be avoided.

By converting a portion of your RRSP or RRIF into a Gift Annuity, you can pay less tax and potentially generate more income in the long term. Prairie will retain the residual value of the annuity as a gift on your passing.

### Gift Annuity

Gift Annuities provide higher returns on lifetime investment income (in some cases 100% tax free), immediate tax relief, and a gift to Prairie at your passing.

Rates are determined by: type of annuity (single or joint), gender, and age. An annuity is generally beneficial for those 70 years or older.

A minimum investment of \$10,000 is required.

### Securities or Mutual Funds

In Canada, this is the most tax advantageous way to give.

By donating the actual securities or mutual funds, you eliminate all taxes on the capital gains. The value of the tax donation receipt is determined by the value of the securities or mutual funds on the day they arrive in Prairie's brokerage account.

## Revocable Deposit Agreement

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Invest a sum of money at Prairie and earn marginal interest (rates are re-established annually). Interest is paid to you annually.

Prairie re-invests the money and uses the extra interest earned for the ongoing operation of the college.

The agreement can be cancelled at any time. On your passing, the capital and interest owed is returned to your estate.

### Irrevocable Deposit Agreement

The primary benefit of this tool is to remove a portion from your estate to avoid it being contested. During your lifetime Prairie invests the principal and uses the income for the college operation. On your passing, Prairie retains the principal.

## Gifts in Kind

This is a gift of tangible property such as a vehicle or real estate.

The tax donation receipt is determined on its 'Fair Market Value' as determined by a third party appraiser.

## Bequest

Many people will pay more tax in the year of their passing than at any other time in their life. By naming Prairie as a beneficiary in your will, your estate will receive a tax donation receipt, which will help to reduce taxes owed.

## Cash

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A gift of cash is the most direct way to donate, resulting in a tax donation receipt both in Canada and the United States.

### Recurring Gift

Essentially the same as a cash donation, a recurring gift happens automatically. Your gift can be deducted from your bank account or, if you prefer, charged to your credit card.

A representative from Prairie is available to do workshops for your friends or church.

To explore how Planned Giving could benefit you and your estate, please contact:

### **Prairie Planned Giving**

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