GIVING IN YOUR WILL

Leaving a legacy

BERKSHIRE COMMUNITY FOUNDATION
Local Giving. Lasting Impact.

We know that your family and friends will be first in your thoughts when writing your will. After taking care of them, you may wish to consider helping your community for years to come by leaving a gift to Berkshire Community Foundation (BCF).

Leaving a gift in your will is a wonderful way of supporting local communities, and BCF offers an ideal way to leave a legacy efficiently and easily, with a number of options available to ensure that your legacy achieves exactly what you want. Although some people have a clear idea which charities they wish to support through their will, others may want to give back to their local community but are unsure exactly which charities to support. A long-term and viable alternative is for BCF to be named as the recipient in a will, with the instruction to use the legacy to support a particular type of issue, or help a particular area of the County.

Why leaving a legacy is so beneficial

A named gift

A "Named Gift" will ensure your name will live on. Your gift will keep on giving, generating further income to benefit local people.

Your choice

You can decide whether to leave a legacy to support a particular cause or area, or provide us with the flexibility to support a variety of important causes and to respond to changing needs in the future.

Tax efficient

As an accredited community foundation, legacies made to BCF qualify as a charitable donation. Charitable gifts are exempt from inheritance tax and could help reduce the total amount of tax paid on an estate, maximising what is available for heirs.

Successor advisors

You can nominate successor advisors (children or loved ones) who will continue to be involved in your Fund in the future.

Types of legacy

- We work closely with **professional advisers** to agree the most appropriate solution for their clients.
- Your bequest could create a **named fund**, which will have specific charitable objectives requested by you, or you may simply name BCF as the beneficiary and the gift will be incorporated into our general fund, which supports social and community activities and projects throughout the County.
- We are able to manage legacies of **all kinds**, including residuary or reversionary legacies, a pecuniary legacy, or a specific item or asset, such as cash, land, property or stocks and shares.
- If you have **one or more favourite local charities**, you can leave a gift in your will to BCF with instructions to distribute the income between them, perhaps over a period of years. If for any reason one of your charities closes down in the future, we will redirect your gift towards another organisation that best matches your interests.

Berkshire Community Foundation
100 Longwater Avenue, Green Park,
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Email: info@berkshirecf.org
Web: www.berkshirecf.org

Facebook, Instagram & LinkedIn:
@berkshirecommunityfoundation

Quality Accredited by
UK Community Foundations
Registered Charity No. 1155173

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Tax Efficent Giving

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As a registered charity, giving to the Community Foundation for Berkshire attractive tax relief.

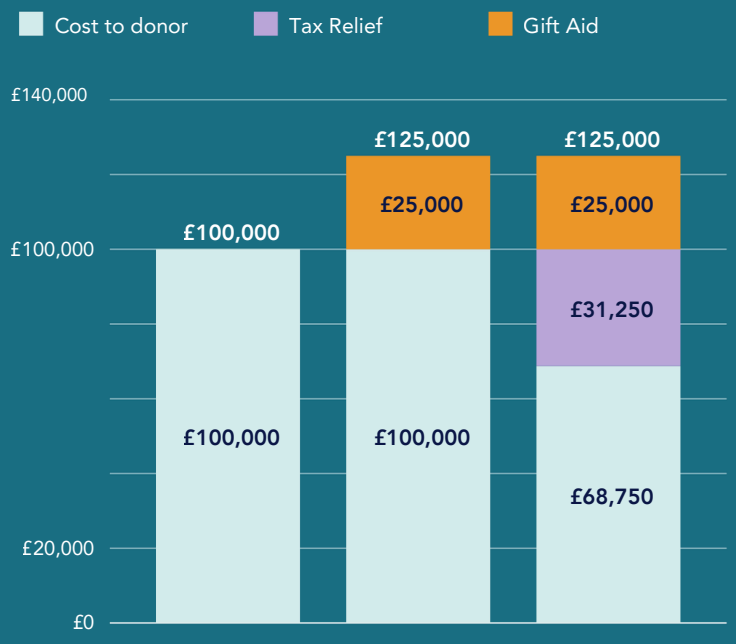
Effect of a £100,000 donation by a 45% taxpayer

When you donate £100,000 to BCF, as a 45% tax payer, you receive tax relief of £31,250.

This means the net cost to you is reduced to £68,750.

Additionally, the government adds £25,000 through Gift Aid, bringing the total gift value to £125,000.

Thus, your £100,000 donation transforms into £125,000, making a significant impact while reducing your net cost.



Gift Aid

Gift Aid is a government scheme that enables charities to reclaim basic tax rate on all gifts given by UK taxpayers.

£1,000 → £1,250

For every £1,000 given as a charitable donation, BCF will receive a total of £1,250 at no additional cost to the donor.

Higher rate or additional rate taxpayers are also entitled to further tax relief on donations, as they are able to reclaim the difference between their tax rate (40% or 45%) and the basic rate (20%).

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Legacy Gifts

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All money left to a charity is immediately free of inheritance tax, as well as reducing the taxable portion of your estate. In addition, if at least 10% of the taxable value of your estate is left to charity, the inheritance tax on the remainder is automatically reduced from 40% to 36%.

Example

Jane has a gross estate of £1 million. There is no tax to pay on the first £325,000 and so the net taxable estate is £675,000. The table below helps illustrate the benefits of gifting 10% of her estate.

Gift to BCF	0%	4%	10%
Inheritance tax rate	40%	40%	36%
BCF receives	£nil	£27,000	£67,500
Inheritance tax paid	£270,000	£259,200	£218,700
Non-charity beneficiaries recieve	£730,000	£713,800	£713,800

If Jane had initially not intended to make any charitable donation, her chosen beneficiaries will still receive 97.8% of their original entitlement if she decides to donate 10% to charity; due to the reduction in the rate of the inheritance tax from 40% to 36%.

The table also shows that beneficiaries are no worse off between a 4 % and 1 0% donation to charity due to the lower inheritance rate compensating for the increase in the charitable donation.

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Other ways to give

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There are a number of options when considering making a gift.

Gifts of shares

You may own or have inherited shares. Gifts of shares are one of the most ta a donation.
Gifts of shares benefit from tax relief in two ways:

- **Income Tax relief** on the value of the shares
- Shares are **exempt from Capital Gains Tax**, i.e. you will not be taxed on made on the value of your shares

Gifts of land or property

To discuss land or property gifts, you can contact our experts. You will not have to pay tax on land or property donated to charity and you will be able to get tax relief on both Income Tax and Capital Gains Tax.

Deed of Variation

If you have been a beneficiary of a Will but would prefer to give the proceeds to a charity, then consider a Deed of Variation.

Tax relief can also be granted on an estate after death by using a Deed of Variation.
This can be executed by the beneficiaries of a will **within two years** of death and provide significant savings in inheritance tax by increasing the gift left to charity.

Talk to us about leaving a legacy

Our team works alongside you and your professional advisers to to give. way
Call **0118 930 3021** or email **philanthropy@berkshirecf.org**.

This guide is for general information only and is not tax, legal or financial advice. Please speak to a professional adviser before making a gift or changing your will.

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