



Financial Account Gifts: Planning Considerations

Many members and friends have chosen to provide for a gift to the Church by designating the Church as a beneficiary on a financial account. These gifts may avoid probate and may also save estate taxes.

Bank Account Beneficiary Designations

Ask the manager of your bank what procedure would be appropriate for naming the Church as beneficiary of your account. Generally speaking, it's possible for bank account proceeds to pass directly to an individual or organization separate from will or living trust provisions. Many states allow P.O.D. (pay on death) accounts that allow you to name a beneficiary on almost any type of financial account: savings, checking, building and loan accounts, credit union savings, etc. The Uniform Probate Code includes corporations and organizations as permissible beneficiaries of pay on death designations. You can indicate that your deposits will be payable on death to any charitable, educational or religious organization and keep the right to change or revoke the arrangement at any time. Some states may require proof that death taxes have been paid before releasing funds in a P.O.D. account.

United States Treasury Instruments

Government securities, except for United States savings bonds, can have a beneficiary designation that includes a church or charity. You can obtain forms from the United States Treasury to make T-Bills payable on death to the Church.

Totten Trusts

If P.O.D. accounts are not used in your area, you can probably employ a Totten Trust or self-declaration trust to benefit The First Church of Christ, Scientist. These are bank deposits on which you are designated as "trustee for _____" (a named beneficiary, such as the Church). Upon death, an absolute trust comes into existence and the balance on hand passes to your beneficiary. These arrangements are completely revocable during your lifetime.

Securities in Brokerage Accounts

If you have stocks, bonds or mutual fund shares in brokerage accounts, it is generally possible to name the Church as T.O.D. (transfer on death) beneficiary. You would maintain full control over the account during life. Ask your broker about this option and for the appropriate beneficiary form. The Uniform T.O.D. statute states that corporations and organizations



(such as the Church) are permissible beneficiaries of transfer on death designations. While the Uniform T.O.D. statute has been adopted in all 50 states, brokers are not required to offer T.O.D. designations.

Retirement Account Benefits

Death benefits from an Individual Retirement Account (IRA), or a qualified retirement plan such as a 401(k) or 403(b) plan, usually result in income taxes for one's heirs or estate. Because The First Church of Christ, Scientist is tax exempt, it may make sense to name us as death beneficiary and bequeath other assets, not burdened with income tax, to family beneficiaries. Except for IRA gifts, a spouse's consent will be necessary if the donor is married. For a more detailed look at these gifts, see Retirement Account Gifts: Planning Considerations.

How to Proceed

Making The First Church of Christ, Scientist the beneficiary of a financial account is essentially a matter of completing a beneficiary form provided by your account manager (or the government, in the case of T-Bills). If you are interested in providing for the Church in a financial account of any kind, please e-mail, call or write our office.

We are pleased to advise you:

1. Our correct legal name, for use in filling out the beneficiary designation
2. Suggested language to fit your circumstances

You will need to share with us:

1. The amount you intend to leave to the Church
2. Your interest in reserving lifetime income for a family member from your bequest

You can contact our office at philanthropy@csp.com, by phone at 1-800-288-7155, extension 3288, or write to us at the address below. We look forward to hearing from you.

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