

Charitable Remainder Trusts for Estate Planning

The charitable remainder trust (CRT) has long been considered an effective estate planning tool. The CRT allows the donor to transfer highly appreciated property to the trust, receive a charitable deduction, avoid capital gain, receive an income stream, and ultimately benefit the charity of his or her choice. Often, a life insurance policy can be purchased in part, or in whole, by using the income stream and/or savings from the charitable deduction to provide heirs with a death benefit that is commensurate with the size of the original assets placed in the CRT. It's truly a win-win situation. For specific guidance, consult your tax, legal, and financial professionals.

STEPT001-X