

Americans Are Generous People!

John Pastorek, CFRE

Americans are the most generous people in the world! According to the annual report, “Giving USA”, published by the Giving USA Foundation, American’s made charitable contributions of more than \$260 BILLION in 2005.

Of the \$260 Billion, individual Americans contributed more than \$199 billion, which is 76.5 percent of the total donated to charitable causes in 2005. Foundations and Corporations together donated another approximately \$44 billion to charities in 2005.

However, charitable bequests, giving through ones personal will or other estate planning vehicle, continue to be a popular method of giving. Americans bequeathed another \$17 billion to charities in 2005. The advantages of making bequests to your favorite charity are many.

- First, leaving money to a charity through your will ensures that, if needed, the donor can use the assets during his or her lifetime.
- Second, money bequeathed to a charity is not subject to federal or state death taxes.
- Third, assuming that an individual or couple plan or developing a personal will or other estate planning tool, bequeathing money to a charity does not cost the donor extra legal or other fees.
- Additionally, there are a variety of ways to bequeath money so that the needs of heirs, loved ones and friends can be addressed.
- Charitably inclined individuals have also found that they can afford to make a more significant death after their death, instead of giving a smaller gift of cash while alive.

Bequests can be made in any amount that the donor desires. Many individuals will bequeath a fixed dollar amount to a charity. There is no minimum or maximum amount. An individual can leave \$1 or their entire estate to a charity, or any amount in between.

Bequests can be made that are contingent on another event. For example, an individual may leave money to a charity “only in the event that they have no heirs that survive themselves”.

One may provide for a charity through their will be leaving the organization a percentage of their estate.

In certain cases, individuals will name more than one charity as a beneficiary of their estate. As an example, one may designate five charities to share equally a portion of their estate.

There are many variations of charitable bequests. Donors are urged to include close family members in their discussions about charitable bequests and to seek competent, professional legal and financial advice before making any decisions about the distribution of their wealth after

death. While charities are always grateful of the thoughtfulness of donors who leave charitable bequests, most non-profit organizations want donors to ensure that the needs of heirs, loved ones and friends are considered first, before the needs of the charity.

About the Author

JOHN D. PASTOREK, CFRE

John Pastorek has served as President of the Allegheny-Kiski Health Foundation since 1990

John has been a member of the Association of Fund Raising Professionals (AFP) since 1988 and has been a Certified Fund Raising Executive since 1999. He also has served on the Board of Directors of the Harrisburg-based Pennsylvania Association of Non-Profit Organizations (PANO) since 2004.

John was instrumental in establishing the Pennsylvania State Issues Task Force in 1996, which took a lead role in writing, and motivating the PA legislature to pass, PA Act 127, "the Charitable Gift Annuity Law". John has taught many fund raising and non-profit seminars, and holds Bachelor of Science degrees in Education and Communication, and a Master of Science Degree in Management.