

Ways to Give to Lakota Funds

Choose the gift option that matches your goals. The highlighted words below have a more detailed description in the text following this chart. If you have further questions, please call us at (605) 455-2500 to contact our Executive Director, Tawney Brunsch or email her at tbrunsch@lakotafunds.org.

If your goal is to:	Then you can:	And your benefits are:
Give a quick and easy gift	Make a <u>cash</u> donation (Please check to see if your place of employment offers a matching gift program.)	An income tax deduction and immediate impact for <i>Lakota Funds</i>
Avoid tax on capital gains	Contribute long-term appreciated <u>stock</u> or other securities	A charitable deduction plus no capital gains tax
Defer a gift until after your lifetime	Put a bequest in your <u>will</u> (cash or specific property)	Your donations are fully exempt from estate tax
Make a large gift with little cost to yourself	Contribute a <u>life insurance</u> policy	Current and possibly future income tax deduction
Avoid the double taxation on IRA or other <u>retirement plan assets</u>	Lakota Funds as the beneficiary of the remainder of your retirement plan assets after your lifetime	This will allow you to leave your family other assets that carry less tax liability
Avoid the capital gains tax on the sale of a home or other real estate	Donate the <u>property</u> or sell it to Lakota Funds at a bargain price	An income tax deduction, plus reduction or elimination of capital gains tax
Protect yourself from inflation over the long term	Create a <u>charitable remainder unitrust</u> .	It pays you a variable income for life and provides tax benefits
Secure a life income while avoiding market risks	Create a <u>charitable remainder annuity trust</u>	It provides tax benefits and often boosts your rate of return
Secure a lifetime income for yourself and spouse	Create a <u>charitable gift annuity</u>	Possible income tax savings, estate tax savings
Reduce gift and estate taxes on assets you pass to your children and grandchildren	Create a <u>charitable lead trust</u> that pays income to us for a specific term of years	It has the estate tax benefits of a gift, but your family keeps the property

Cash

Cash is the easiest and most common way to make a gift. You receive a charitable contribution deduction and Lakota Funds is able to use your gift immediately. These gifts can also be restricted to a particular area by the donor. Unrestricted gifts are used for the areas of greatest need. You can mail your donation to the Lakota Funds, PO Box 340, Kyle, SD 57752. If you wish to donate using a credit card, call 605 455-2500 between the hours of 8:00 a.m. to 4:30 p.m. MT or go to www.lakotafunds.org and click on “Make a Donation” and/or “Invest with Us.”

Matching Gifts

If your place of employment offers a matching gift program, you may be able to double your donation to *Lakota Funds*. Many companies also match gifts of their retired employees.

Appreciated Securities

Gifts of stocks, bonds, treasuries and mutual funds, provide a double benefit to you. When you donate appreciated securities, you are entitled to a charitable income tax deduction based on the fair market value of the securities and without capital gains considerations.

Will

A gift to *Lakota Funds* through your will is a good option, as it does not reduce your current income, yet provides substantial future support for Lakota Funds. There are no immediate tax advantages although your bequest may reduce estate taxes.

Life Insurance

If you give ownership of a life insurance policy to *Lakota Funds*, you will receive an immediate income tax deduction. If you are still making premium payments, these payments to *Lakota Funds* become a charitable gift. And, if you choose to name Lakota Funds as a beneficiary, the face value of the policy will eventually constitute a gift in your name, included in your estate, and is deductible for federal estate tax purposes.

Retirement Plan Assets

Retirement plan assets are one of the most taxed assets at death in larger estates, subject to both income tax and estate tax. While current tax law does not allow you to transfer these assets directly to *Lakota Funds* during your lifetime, naming *Lakota Funds* as the beneficiary on your account could avoid both income and estate taxes after your lifetime.

Property

Real estate including homes, commercial buildings and land can be donated to *Lakota Funds*. Gifts of this nature are also helpful and provide substantial benefits for the donor as well. If the value of your property is more than you wish to give, you may donate a partial interest. Property deeded with Life Estate retained is an arrangement in which you would donate your personal residence or ranch and continue to live there.

Charitable Remainder Trusts

This type of trust makes an annual payment to one or more individuals for life or a term of years. Upon termination of this charitable remainder trust, the property remaining will be transferred to *Lakota Funds* and used for the purpose you have specified. There are two types of charitable remainder trusts.

Unitrust -- Income fluctuates annually with the fixed percentage of the fair market value of the trust.

Annuity Trust -- Income payments are fixed and determined when the gift is made. This is attractive to individuals who want to avoid risk.

Charitable Gift Annuity

Charitable gift annuities are an easy and popular gift plan. It is an exchange of cash, securities, real estate or other property in return for a contractual agreement for *Lakota Funds* to pay you and/or your spouse a specified amount of income for your lifetime(s), determined by a rate schedule based on your age.

Charitable Lead Trust

A charitable lead trust is an agreement in which a donor places assets in a trust that will be managed by a Trustee. During the term of the trust, a percentage of the trust's principal (specified by the agreement) is paid *Lakota Funds* each year. At the end of the term, your heirs will receive the trust's principal and any additional income and appreciation that has accrued, with no additional gift or estate taxes due. The trust's income first benefits the charity and then goes to the family members at substantial tax savings.

Lakota Funds hopes you find this information useful as you review these options with your tax, estate, and legal advisor(s). Thank you for considering us. We look forward to working with you in your quest to invest in the future of the Lakota Oyate (people). In Lakota culture, to “remember” is a powerful word. The elders have always advised that we should remember unto the seventh generation when we plan. Thank you for re-remembering with us.