

LEAVE YOUR LEGACY

By Jay Zschau and
Wayne Sheriff

ENDOWMENT FUND:

HELPING BUILD

TCA'S FUTURE

TCA Gifts of Life Insurance

In the last issue of the *National Headquarters News*, the Endowment Fund Committee addressed a Giving Program by a bequest in a will or living trust as a way of giving back to the Train Collectors Association. Another approach that you may want to consider is the use of the **Life Insurance Program**. This program operates like any other life insurance policy—you make the payments on a policy of Life Insurance, and the TCA becomes the beneficiary. Depending on how the policy is set up, the payments may be tax-deductible. This concept would be entirely outside of the will or trust concepts and would be funded on an ongoing basis. As life insurance policies go, the payout would be made regardless of whether the policy is paid in full or not, and the TCA would still receive the face value of the policy.

These proposed programs are designed to provide an avenue for you to support the Train Collectors Association and still have the enjoyment and fellowship obtained over the years through your membership. Some of you may want to direct your insurance policy gift to particular areas of interest you have within TCA, such as the Museum, Library, or educational programs. For others, you may be more interested in simply augmenting the Endowment Fund. This is all possible through the **Life Insurance Program**.

The insurance policy would name the TCA as both the irrevocable owner and beneficiary. As premium payments are made to the insurer, they might be deductible by the donor for federal income tax purposes if the 501(c)(3)—TCA—is both the irrevocable owner and beneficiary of the policy. Premium payments may generate a potential federal income tax deduction of up to 60 percent of the adjusted gross income of the donor, with a five-year carry forward of any excesses. Favorable gift and estate consequences may also result from such a gift. All of the foregoing should be fully reviewed with your tax advisor before entering into the program.

The application and the instructions for the insurance can be requested through the staff at TCA Headquarters. You may request them by email at membership@traincollectors.org, by phone at 717-687-8623, or by mail by writing to P.O. Box 248, Strasburg, PA 17579-0248.

Another way to give through life insurance is to name TCA as the first, second, or contingent beneficiary of existing policies that you have in effect. This can be accomplished by simply using a change of beneficiary form, which any policyholder can request from your existing life insurance carrier. Making a gift in this manner would have different tax consequences, and again should be reviewed with your tax advisor.

Charitable contributions are promptly acknowledged in accordance with IRS rules. Please confer with your own attorney, accountant or tax advisor to determine the tax benefits of any proposed gift.

Thank you for considering supporting the TCA.

FOR MORE INFORMATION:

For more information on supporting TCA through a planned gift, please contact TCA Headquarters Staff at (717) 687-8623. TCA is a fully qualified 501 (c) (3) charitable organization under IRS regulations. Donations are tax-deductible to the fullest extent provided by law.