



Contact: 512.582.2197, [info@nvcnetwork.org](mailto:info@nvcnetwork.org); [www.nvcnetwork.org](http://www.nvcnetwork.org)

## Sample Bequest Language

### Why Bequests and Legacy Gifts Are Important

- Over the next 10-20 years the greatest inter-generational transfer of wealth in history will occur. An estimated \$10,000,000,000,000 to \$20,000,000,000,000<sup>1</sup> will be transferred either to the government (at estate tax rates of up to 55%), to heirs, or to charity. That's enough to buy every single share of stock on the New York Stock Exchange.
- An estimated 70%<sup>2</sup> of the population does not have a will. (A surprisingly large number of "wealthy" individuals are included in this category.) Without a will, no charity will benefit.
- While a bequest is the most simple form of providing an estate gift, there are a number of other vehicles which can benefit charities. These "planned gifts" include trust arrangements, annuities, and real estate transfers. Such gift vehicles have been specifically authorized by Congress in the tax code for the benefit of charities.
- National studies indicate that older, charitably inclined Americans often support more than one charity.<sup>3</sup> Through legacy gifts, donors often donate more money than they would have otherwise.

### Kinds of Bequests

A **specific bequest** is the simplest form of bequest. It designates a fixed dollar amount or specific property to a beneficiary (in this case your organization). This type of bequest is appropriate when you have an item of value (stocks, bonds, real estate, works of art) or a definite dollar amount you wish to leave to \_\_\_\_\_.

---

<sup>1</sup> Estimates vary as to the dollar size of transfer or wealth exchange and some are estimates greater, some smaller, but all agree regarding the historical and unprecedented magnitude of the transfer. Subsequent estimates appearing in Fortune magazine and the Chronicle of Philanthropy over the last several years reported higher numbers.

<sup>2</sup> Some surveys have estimated this number even higher at 80%.

<sup>3</sup> Most often support between one to three charities. Planned Giving in the United States: A Survey of Donors, National Committee on Planned Giving, 1993 updated in 2001. Both reports were based on a demographic survey of 150,000 United States households.



Contact: 512.582.2197, [info@nvcnetwork.org](mailto:info@nvcnetwork.org); [www.nvcnetwork.org](http://www.nvcnetwork.org)

**Residual or proportional bequests** designate either your entire estate or a percentage of your estate AFTER other specific bequests are distributed. The advantage of designating a proportion of your estate to \_\_\_\_\_ is that the bequest automatically adjusts in size as your estate increases or decreases over the years.

**Contingent bequests** are carried out only if circumstances make it impossible to carry out a primary bequest. For example, if all other beneficiaries are deceased, then a contingent beneficiary receives a bequest. The \_\_\_\_\_ is often named as a contingent beneficiary in the wills and trusts of young friends of \_\_\_\_\_.

### **How to Create a Bequest to \_\_\_\_\_**

The following phrases could be used to add to a will or to be used when the will itself is updated. It is important to note that not all wills are written in similar formats and that it is important to seek legal advice to ensure that the language and directive is consistent with the remaining document. Your will is a legal document and should be drafted and amended by an attorney.

### **Suggested Language for a bequest in a will or Trust:**

*"I give to the \_\_\_\_\_ (legal name of organization), a nonprofit corporation organized and existing under the laws of the \_\_\_\_\_ (state in which organization is located), and with the current business address of \_\_\_\_\_, the sum of \$ \_\_\_\_\_*

**OR** *all of my interest in the following described property: \_\_\_\_\_.*

**OR** *\_\_\_\_ percent or all of the residue of my estate,*

*To be used as the Board of Directors of \_\_\_\_\_ (name of organization) shall determine,*

**OR** *to be used for the benefit of \_\_\_\_\_ (name of project or activity)*

**OR** *to be used for the purpose of \_\_\_\_\_ (example, land stewardship, land acquisition, etc.)*



Contact: 512.582.2197, [info@nvcnetwork.org](mailto:info@nvcnetwork.org); [www.nvcnetwork.org](http://www.nvcnetwork.org)

*If in future years, the above state purpose is no longer necessary, practical or possible, the Board of Directors of \_\_\_\_\_ shall use its discretion to designate this gift for a related purpose the best promotes and supports its mission.*

***This information is provided for educational purposes. Please consult with professional tax and legal advisors about your specific situation.***