

WILL POWER

That's what you have when you write a will! Power to use the accumulated fruits of your lifetime to provide for your loved ones as you see fit, rather than as the government determines. Power to ease the transition of your passing for those who survive you. When you include the *Museum of Health Care at Kingston* in your will, you are using your will power to help strengthen programs and purposes you believe in for generations to come.

Q: Is making a will difficult?

A: Ordinarily it's quite simple. Begin by listing your assets and most important personal possessions (don't overlook any!), and the persons, institutions and causes for which you'd like to provide. Then ask your lawyer to review your intentions with you and draft the document in proper language.

Q: What if I change my mind later on?

A: A will is fully revocable while you live -- you retain control and can easily make revisions should your wishes or circumstances change, either by drafting a new will or adding a codicil to your old one.

Q: Does a charitable bequest provide a tax benefit?

A: For most people, yes. At your death, your estate is entitled to a donation receipt for the full value of your bequest, providing a significant tax credit on your final tax return. Here's an example:

(Margaret J), a widow, leaves \$10,000 to The Museum of Health Care and the remainder of her estate to her two children. Her bequest results in a tax saving of \$4,600 (assuming a combined tax credit of 46 percent). If she had left the \$10,000 to her children instead of giving it to the Museum, taxes would have consumed \$4,600 and only \$5,400 would have passed to the children.

Q: Does a charitable bequest have to be in cash?

A: No, you may also give real estate or publicly listed securities. Because a charitable bequest is creditable up to 100 percent of income in the year of death, the tax credit will almost always exceed tax on the gain, resulting in significant tax savings. Whether the bequest consists of cash or other property, any portion not usable because of the 100-percent-of-income limit can be carried back to the prior year, again subject to the 100-percent limit.

Q: What is the best way to make a bequest to the Museum?

A: Your bequest may take any of several forms. Consider these possibilities:

A **general bequest** is for a certain dollar amount of property, usually cash: *"I give to the Museum of Health Care at Kingston, the sum of \$100,000 to be used for its general purposes."*

A **specific bequest** directs that the Museum is to receive a specific piece of property: "*I give. . . 500 shares of XYZ stock. . . to the Museum of Health Care*"

A **residual bequest** designates all or a portion of whatever remains after all debts, taxes, expenses and other bequests have been paid: "*I give. . .all (100%) of the rest, residue and remainder of my estate to the Museum of Health Care...*"

Q: How will my bequest be used?

A: Most bequests are entrusted to the Museum for its **general purposes**, but you may also make a **restricted bequest** to be used for a particular purpose or educational program. Subject to the Museum's policies, you may specify that the principal of your bequest is to be held as an **endowed fund**, and perhaps as a **named endowed fund**...in your name or as a memorial to another. You'll want to confer in advance with a Museum representative to ensure that your wishes can be met and that your bequest provision is properly worded.

Q: I want to remember the Museum in my will. How can I be sure I'm doing it correctly?

A: Let us help you! We can provide you with further information on how to prepare your will and sample bequest language appropriate to the forms and purposes described above. At your request, one of our representatives will be happy to meet with you and, if you wish, with your lawyer, to discuss your intentions for the Museum.

When you have completed your will and included a provision for the Museum, we'd like to know about it so we can express our thanks. With your permission, we'll list your name among the growing number of those who have provided for future gifts to the Museum, where it will encourage still others to take that important step.

WILL POWER --

It's yours when you write a will and include the Museum of Health Care at Kingston. Because you cared, your "present" will reach far into the future!

The purpose of this publication is to provide general information, not to render legal advice. In addition, any changes in the Canadian tax or regulatory structure may affect the examples listed here. You should consult your own lawyer or other professional advisor about the applicability of any of these options to your personal situation.