



DONATE – LIFE INSURANCE

The 2L Foundation offers multiple ways for you to donate to the overall mission and individual programs provided by the charity.

A charitable donation is a contribution of money or goods to a tax-exempt organization, such as a 501c3 charity, that can reduce your taxable income. To claim a deduction, you must not receive any benefit as a result of your gift.

DISCLAIMER – The materials available on this website are for informational purposes only and not for the purpose of providing financial, legal, or accounting advice. You should contact your attorney, accountant, and financial advisor to obtain information on any particular issue or problem. The opinions expressed at or through this site may not reflect the views of the 2L Foundation or any one individual. All potential donors should consult the Internal Revenue Code of 1986; specifically, the section entitled “Exempt Organizations Examination Guidelines” (Section 4.76.51) for additional information.

DONATING GIFTS OF LIFE INSURANCE

A donor can now contribute a future gift to the 2L Foundation by naming the charity as the owner and beneficiary of a life insurance policy. The donor also agrees to make annual payments to the 2L Foundation amounting to the premium payments, which generate additional charitable tax deductions. Once the policy matures, the proceeds are paid to the charity, and the finances are applied to the charitable purposes designated.

When a donor donates an insurance policy to the 2L Foundation while alive, the donor immediately receives an income tax deduction for the current value. The donor is then requested to pay any future premiums to keep the policy active, and these payments are also tax deductible.

If the donor retains ownership of the policy, benefits payable to the 2L Foundation at death can save federal and state estate taxes depending on the size of the donor’s estate and their state of domicile.

WHAT ARE THE BENEFITS?

- 1 The donor can make a significant gift from income instead of capital.
- 2 The donors’ continued gifts, which offset the cost of the premium payments owed, become fully tax deductible.
- 3 The donor builds future financial strength by mitigating future tax obligations.

WHO SHOULD CONSIDER DONATING A LIFE INSURANCE POLICY?

- A.** A younger donor who wants to make a significant future gift.
- B.** A donor whose estate probably won’t have substantial assets to distribute to non-family members.
- C.** A donor who is able to make a commitment to provide donations that will offset The 2L Foundation’s premium payments on the policy.
- D.** A donor who wants to make a significant gift to charity but doesn’t have the resources to do so.

HOW DO I ARRANGE A GIFT FROM MY LIFE INSURANCE?

Contact your life insurance company and request a “Change of Beneficiary/Ownership” Form. Designate the 2L Foundation as the new owner and beneficiary of your policy.

DISCLAIMER REGARDING RESTRICTED/DONOR-DIRECTED GIFTS – If such use (donor-directed funds) should prove to be impracticable or undesirable for any reason as the Trustees may determine, in their sole discretion, they shall then provide for alternative uses of the funds in a manner consistent with and reflecting the spirit of the original gift.