

## CHRISTIAN FOUNDATION FOR CHILDREN AND AGING

1 Elmwood Avenue, Kansas City, KS 66103 800.875.6564 • 913.384.6500 • www.hopeforafamily.org Michael Calabria • giftplanning@cfcausa.org

## Gift planning terms and definitions

The following definitions are offered for general information purposes only. Please consult with a professional financial, tax or legal adviser to organize and formalize your own estate plan.

**Administrator** - The person appointed by the court to manage one's estate when he or she dies without leaving a will. Administrators have the same duties as executors.

**Appreciated property** - Property, such as real estate or stock, that has increased in value.

**Beneficiary** - An individual designated to receive benefits or funds under a will or other contract, such as an insurance policy, trust or retirement plan.

**Bequest** - To give or leave something by will, typically personal property or assets.

**Capital gains tax** - A tax on capital gains. It is the amount by which proceeds from the sale of a capital asset exceed the original cost.

**Charitable gift annuity** - An agreement in which cash or other assets are transferred to a charitable organization in exchange for its promise to pay the donor and/or another person fixed annual payments for life.

**Codicil** - A simple legal instrument used to modify an earlier will.

**Cost basis** - The original value of an asset, such as stock, before its appreciation or depreciation.

**Estate** - Any money, real estate, personal property and other possessions at the time of death.

**Estate planning** - The steps taken to organize how assets will be distributed at death. It is a process to be updated throughout one's life.

**Estate tax** - A tax imposed at one's death on the transfer of most types of property.

**Executor** (or personal representative) - The person named in a will to manage the estate. This person will collect the property, pay any debt, and distribute property or assets according to the will.

Gift tax - Tax on gifts generally paid by the person making the gift, rather than the recipient.

**Gross estate** - The total property or assets held by an individual as defined for federal estate tax purposes.

This document provides general information about gift planning and is not intended to provide individual financial, legal or tax information or advice. CFCA recommends that you speak with a tax adviser, financial adviser or attorney about how to make charitable giving part of your overall financial plan.

## CHRISTIAN FOUNDATION FOR CHILDREN AND AGING



1 Elmwood Avenue, Kansas City, KS 66103 800.875.6564 • 913.384.6500 • www.hopeforafamily.org Michael Calabria • giftplanning@cfcausa.org

**Intestate** - The term applied when an individual dies without a will.

**Probate** – A legal process in which a court oversees the distribution of property left in a will.

**Will** - A legal declaration of how possessions will be distributed after a person's death. A will states who receives property and in what amounts. Property distributed under the terms of the will become the "probate" estate. Making a will is a responsibility, as well as a right that is protected by law.