A GIFT TO THE FUTURE
Planning Your Legacy at the Smithsonian
Planned gifts are a vital part of the Smithsonian’s first-ever comprehensive campaign. The Campaign will work across museums and research centers to create a 21st-century catalyst for learning and change. With your support, we will strengthen this unique asset belonging to the American people.

The National Museum of American History celebrates the people, inventions, and events that shape America’s story.
O say can you see, by the dawn’s early light,
What so proudly we hailed at the twilight’s last gleaming,
Whose broad stripes and bright stars through the perilous fight
O’er the ramparts we watched were so gallantly streaming?
And the rockets’ red glare, the bombs bursting in air,
Gave proof through the night that our flag was still there.
O say, does that star-spangled banner yet wave,
O’er the land of the free and the home of the brave?
Introduction

To inspire a child on a lifelong journey of learning.
To protect America’s treasures and share America’s story with the world. To spark discoveries that will unlock the mysteries of the universe, sustain Earth’s biodiversity, and expand our knowledge of human cultures. Every person who makes a gift to the Smithsonian Institution embraces these aspirations and advances our capacity to pursue them.

In every generation, select donors have supported the Smithsonian in the most enduring way possible, by ensuring that the Institution will remain an exciting and welcoming place of learning for future generations.

Through planned gifts to the Smithsonian, some have chosen to benefit the Institution as a whole, while others have designated their gifts to a specific museum, center, program, or area of focus.

Planning a gift to the Smithsonian strengthens one of the greatest assets of the American people and an irreplaceable resource for the world. When you take this forward-looking step, you are also making a prudent financial decision for your own and your family’s futures. No institution could offer you a more durable, secure investment.

No other place on Earth is quite like the Smithsonian. No other gift you can make to the future has the same impact as investing in this treasured institution forever.

The National Museum of Natural History cares for the world’s largest natural history collection, which includes more than 127 million objects and specimens.
The Smithsonian secures legacies for all time
Let the Smithsonian honor your generosity and foresight
How to Start Your Planned Gift

The Smithsonian has expertise and resources to help you craft a plan that will work for you and your family financially, while recognizing your generosity and foresight.

Gift planning empowers you, the donor, to design the permanent footprint you make at the Smithsonian, reflecting your own interests and vision. What’s more, a planned gift can meet personal financial goals, add to your own and your family’s financial security, avoid and reduce taxes, and maximize the value and impact of your assets beyond your lifetime.

Gift planning offers a wide range of options, many discussed in this brochure:

- Bequest through a will or living trust
- Beneficiary designation
- Gifts from retirement plans
- Gifts of real property
- Charitable gift annuities
- Charitable remainder trusts
- Charitable lead trusts

Many donors find planning a legacy to be a richly rewarding process. We encourage you to include your loved ones, financial and legal advisors, and the Smithsonian Office of Planned Giving in this important process.

Together, we can create a gift plan that encompasses your charitable vision, personal circumstances, and tax consequences while strengthening one of the world’s most trusted institutions.
Types of Planned Gifts

A wide array of tools can make your planning simple and effective. The following gift vehicles allow you, the donor, to make a simple provision of an outright gift from your estate.

**Bequests:** A direct approach is to make a bequest in your will or living trust. There is no limit on the amount you can donate through your estate.

- A specific bequest names an asset or dollar amount. For example, you might bequeath a specific amount, the sale proceeds of a residence, or specific shares of stock in a publicly traded company.
- A percentage bequest names a percentage of your assets as a gift. This can be either a percentage of net proceeds after debts and expenses or a percentage of your gross estate.
- A residual bequest means you contribute assets remaining after other bequests have been honored. You can donate all or a percentage of the residual amount.

**Beneficiary designation:** One of the easiest ways to create a legacy at the Smithsonian is by using a beneficiary designation form at any financial or brokerage firm to make a gift of a financial account, retirement plan assets, or life insurance.

**Retirement plan assets:** You can also make a bequest of retirement plan assets, such as an IRA, 401(k), or 403(b). This strategy can be particularly advantageous because these assets would otherwise be heavily taxed through your estate, often at rates as high as 65 percent. By selecting a retirement plan as your planned gift vehicle, other assets that may be taxed at a lower overall rate can remain available for your loved ones.
Planning your gift is simple and keeps your estate intact
Multiple giving vehicles have benefits for you and your family
Types of Planned Gifts

Other methods of gift planning, which are irrevocable, can:

- Create an income tax deduction the year the gift is established.
- Increase personal income for you and your loved ones.
- Avoid capital gains taxes and reduce income taxes.
- Reduce estate taxes, since the donated assets are no longer a part of your estate.

Charitable gift annuities: In exchange for a designated sum or asset, the Smithsonian will provide a set income to you or to others each year for a specified term, which can be one or two lifetimes. The Smithsonian will guarantee the annual income for the term of the agreement, regardless of investment results. It would be hard to find a safer income stream since our guarantee is backed by the Smithsonian’s full faith and credit.

Charitable remainder trusts: By placing certain assets, such as cash or stocks, in a trust for the Smithsonian, you or someone you designate will receive either a fixed income or an income that is based on a percentage of the trust’s value in any given year.

- The Smithsonian guarantees annual payments as long as there are assets in the trust.
- When the trust sells the gifted assets, capital gains are not taxed. That means more assets are put to work providing annual income for you and your loved ones. In addition, you will receive an income tax deduction the year the trust is funded. For these reasons, charitable remainder trusts can be a highly effective method of increasing your income and avoiding taxes while benefiting the Smithsonian.
Types of Planned Gifts

Charitable lead trusts: By placing assets in a charitable lead trust, you can pass them on to your loved ones with a dramatically reduced transfer tax (estate or gift tax), while providing current support for the Smithsonian. This gift vehicle is especially attractive when using assets that will appreciate significantly over time.

- Annual payments from the trust to the Smithsonian provide significant annual gifts for a set period of time, either a term of years or your lifetime.
- At maturity, the assets revert back to you or your loved ones, with significant tax advantages.

Gifts of real property: Outright gifts of real estate offer the opportunity to make a substantial gift during your lifetime. How?

- You might donate real estate that may no longer be needed, for example, a family vacation property that is no longer being used, or a primary residence after you, or a loved one, have moved to an assisted living facility.
- You can also continue to live in your home and receive an income tax deduction now for the gift of this property in the future by creating a life estate gift. Such an arrangement can allow you to continue your present lifestyle while taking part in the Smithsonian’s future. You continue to live in and take care of the property, just as you always have, for as long as you choose to live there. The life estate gift can create a significant, immediate income tax deduction on the date the arrangement is made. Since the asset is no longer part of the estate, your family may avoid the estate tax on the home’s full value, as well as the difficulties of selling real estate.
Make a gift now, gain future tax benefits
Forrest’s vision and bequest educate in a coastal living laboratory
Born in 1878, Robert Lee Forrest was a forward-looking man. During an era of constant innovation, he invested in technologies that advanced his business interests and had a passion for relatively new fields of science, like oceanography, that touched his world. His farm overlooking the Chesapeake near Annapolis, Maryland, grew from a small business that delivered milk by mule into a large regional operation.

When he passed away in 1962, Forrest’s will provided a gift to the Smithsonian that has changed the way we look at coastal environments around the world: the bequest of his then-fallow 368-acre dairy farm. An additional gift of unrestricted funds considerably increased the Smithsonian’s endowment.

Through subsequent purchases, the Smithsonian carefully expanded Forrest’s farm into the Smithsonian Environmental Research Center, a living laboratory that sits on 2,650 acres and 16 miles of Rhode River shoreline. Here, influential research leads to vital new knowledge about ecological change, while public education programs welcome visitors on site and online to learn about the sustainability of coastal ecosystems.

Forrest’s legacy gift has provided the center with the capacity to carry out nearly five decades of uninterrupted research. Scientists have gained a long view of human impact on environments, something possible only on land protected in perpetuity.
Agnes Brown’s life took a sudden turn when her husband, a former World War II pilot with the U.S. Air Force, passed away unexpectedly two decades ago.

She had only recently retired as an elementary school principal. “I needed something meaningful to do,” Mrs. Brown recalls. She decided to volunteer as a tour guide at the National Air and Space Museum. Still an enthusiastic docent and now a second-term board member, Mrs. Brown says, “I feel very much a part of the museum where I’ve had such wonderful experiences.”

Fifteen years ago, she began giving back to the museum she loves by making the museum a beneficiary of a charitable gift annuity — recommended by her accountant because it would offer a tax deduction, as well as dependable quarterly payments.

In 2007, she established the Colonel and Mrs. James J. Brown Restoration Fund with a direct gift to support the preservation and restoration of aircraft. Then, in 2012, she decided to plan another gift by naming the National Air and Space Museum in her will.
Become part of a museum through a charitable gift annuity
Keith’s gift benefits gardens, provides income for life
Rajinder Keith’s life philosophy is simple: “Learn, earn, and yearn.” Even at 90, Miss Keith actively pursues all three, expanding her horizons and earning her community’s respect for her efforts to preserve Sikh heritage. Her yearning to see the world has inspired Miss Keith to travel extensively — often thanks to The Smithsonian Associates — from Scotland and Scandinavia, to Australia and New Zealand. Her late sister accompanied her on many trips. And it was through Narinder, Nina for short, who volunteered as a Smithsonian docent for 15 years, that Rajinder Keith discovered how passionately the Institution believes in the lifelong process of discovery that has marked her own personal journey.

“Nina showed me how wonderful the Smithsonian is and all it offers to the world,” she says. That, in turn, has earned Miss Keith’s generous support. The charitable gift annuities she has established give her particular comfort, satisfaction, and security. They provide Miss Keith with an annual income for life and, after her death, will add to the endowments of the Freer and Sackler Galleries and the Smithsonian as a whole.

Miss Keith has also contributed priceless artifacts; established the first endowment to support Smithsonian volunteer activities, named in memory of her sister; and joined her sister and brother in donating two fountains outside the Castle, with inscriptions that forever link them with their parents and proudly continue her family’s rich legacy at the Institution.
When he was 11 years old, Richard Russell marveled at the view from a Ford tri-motor plane cruising elegantly above his hometown of Birmingham, Alabama. His father had purchased him the $1 plane ride.

Some 79 years later, which included harrowing flights during 43 combat missions in the Pacific, Mr. Russell remembers that day. “Bring a youngster to the Smithsonian and show them,” he says of his conviction in the power of experiential learning. “They gain knowledge faster that way, and they won’t forget what they learn.”

Mr. Russell acted on his belief in Smithsonian education by establishing a charitable remainder trust to support the National Zoo and the National Museum of Natural History. Both were favorite destinations for him and his late wife, Florine, who shared with him a love of animals, including the champion dogs they showed. Now he visits with his daughter. Bottom-line common sense also shines through in Mr. Russell’s support of the Smithsonian. “I would recommend planning a gift this way to anyone,” he affirms. “I gave appreciated securities so I got sizeable savings on capital gains, federal, and state taxes. Plus, I decided how much supports my expenses and how much benefits the Smithsonian.”

The National Zoo is home to Sumatran tiger Damai, one of many endangered species populations the Zoo is helping sustain in zoos and the wild.
Air combat veteran establishes charitable remainder trust
Since 1890, Smithsonian Astrophysical Observatory scientists have contributed to understanding the nature and evolution of the universe.
### How to Achieve Your Planned Giving Goals

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<th>Gift vehicle</th>
<th>Actions needed</th>
<th>Donor benefits</th>
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<tr>
<td>Continue using assets to meet retirement needs; maintain flexibility and control of assets.</td>
<td>Bequest, living trust</td>
<td>Put bequest in your will or living trust. When any major life event occurs (moving to new state, death of beneficiary), revisit the document.</td>
<td>Contributions fully exempt from federal estate taxes and many state estate taxes. No limit on contributions. Living trust avoids probate.</td>
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<tr>
<td>Simplicity, flexibility; defer gift to a later time while maintaining control.</td>
<td>Beneficiary forms (IRA, brokerage, and other accounts)</td>
<td>Fill out beneficiary form for financial accounts or use brokerage firm.</td>
<td>Contributions fully exempt from federal estate taxes and many state estate taxes. No limit on contributions. Avoids probate.</td>
</tr>
<tr>
<td>Increase income; reduce taxes; increase financial certainty.</td>
<td>Charitable gift annuity</td>
<td>Contact planned giving office. Sign annuity agreement. Fund gift annuity.</td>
<td>Pays more than other fixed-income instruments. A significant portion of the annual payments is free from income and capital gains taxes. Avoids estate tax. Income tax deduction for year gift is funded. Annual income guaranteed by charitable organization.</td>
</tr>
<tr>
<td>Increase income; avoid capital gains taxes.</td>
<td>Charitable remainder trust</td>
<td>Contact planned giving office. Sign charitable trust agreement. Fund trust.</td>
<td>Avoids capital gains and estate taxes; increases income. Income tax deduction for the year gift is made. Income may be taxed at reduced rate.</td>
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<td>Simplify estate plan for loved ones; maximize tax savings.</td>
<td>Life estate (provision for eventual gift of personal residence)</td>
<td>Contact planned giving office for more information.</td>
<td>Income tax deduction for the year gift is made. No real estate sale for loved ones to arrange. Donor and loved ones can continue to live in home for lifetime(s).</td>
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