



Life Insurance

At a Glance—Benefits of gifting life insurance

- Can provide the ability to make a meaningful gift
- Can provide a current charitable tax deduction
- Should not be subject to estate taxes or fees

Life insurance is a valuable tool. An insurance policy can offer you peace of mind knowing that your loved ones will be cared for if you should die at a younger age. Life insurance can help provide adequate financial resources to family at a time when they may not be able to provide for themselves.

Life insurance can also be used to financially support a ministry that has been dear to you and can be an important component of your life-long stewardship plan. In many cases, giving life insurance is a way in which you can make a significant gift to greatly impact ministry by making smaller payments to support a policy over time.

You can commit to making a gift of life insurance at any age. Gifts of life insurance have the benefit of passing to the church without delay and without being subject to probate or administrative fees.

Generally, there are three ways to make a gift of life insurance to a ministry of the Evangelical Lutheran Church in America:

1. *Change the beneficiary.*

If you already have a life insurance policy you can simply call your representative or the insurance company and ask for a change of beneficiary form. You can name an ELCA ministry or ministries as the primary beneficiary or designate a percentage of the proceeds.

2. *Transfer ownership of your paid up life insurance policy.*

You may make a gift through a policy that is no longer fulfilling its original purpose (for example, a policy that was established when you were a child.) Through an irrevocable transfer, the ELCA will own the policy during your lifetime. You will receive a charitable income tax deduction for making the gift. At your death, the proceeds will be directed to the ELCA ministries you have named.

3. *Establish a new charitable life insurance policy.*

You can create a new life insurance policy with the ELCA as the owner. Instead of paying your premiums to the insurance company, you will make regular gifts to the ELCA that will be used to pay the policy premiums. Each time you make a gift to the ELCA you will receive a charitable tax deduction. The life insurance proceeds will be directed to the ELCA ministries you have named.

To learn more about making a gift of life insurance, please consult with your ELCA gift planning professional and your legal advisor.

The examples and information provided are for illustrative and educational purposes only and should not be considered tax or legal advice. Please consult with your tax or legal advisor about proceeding with your gift plan.

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