



# PLANNED GIVING PROGRAM





# Leave the McCord Stewart Museum a lasting legacy

Planned gifts are part of financial, tax or estate planning. Achieve your philanthropic goals while taking into account your personal, family and fiscal situation.

**Here are some ways you can share your wealth — now or in the future — to ensure the future of the McCord Stewart Museum:**

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Cover:  
Alexander Henderson, *Spring inundation, near Montreal*, about 1865, MP-0000.308.5  
© McCord Stewart Museum

*Rococo ormolu-mounted brass-inlaid decorative clock*,  
François Le Doux à Amiens, 18th century, 1975.59.47  
© McCord Stewart Museum



Wm. Notman & Son, *Miss Guilmartin*, Montreal, 1885,  
II-77923 © McCord Stewart Museum

## Charitable bequests

Charitable bequests are a simple way to leave the McCord Stewart Museum a very valuable legacy. A gift in your will is a future commitment that does not hinder your current financial security, because you retain control over your assets and the right to alter your donation during your lifetime.

To make a bequest, simply name the McCord Museum Foundation as the beneficiary of a specific asset, sum of money, or share of your estate. Such gifts are adapted to suit your desires, and no bequest is too small to make a difference. Your estate will receive a tax receipt for the total amount of the gift, which helps reduce the taxes owing after you die.

Several options for leaving your mark:

- **Universal bequest**

Name the McCord Museum Foundation as the sole heir to all your property.

- **Specific bequest**

Leave the McCord Museum Foundation a specific sum of money or real estate, works of art, publicly traded securities and/or other personal possessions. It is important to note that the capital gain on publicly traded securities is tax free, which is very advantageous.

- **Residual bequest**

After all the specific bequests have been completed, you may choose to leave a portion of the total value of your estate. For example, 80% can go to your heirs and 20% to one or more causes of your choice.

- **Conditional bequest**

Whether you decide to leave a universal, specific, or residual bequest, a conditional bequest indicates that the gift to the McCord Museum Foundation will only be made in the event of the death of one or more of your designated beneficiaries.

We suggest that you send us a copy of the clause in your will that mentions the McCord Museum Foundation so we can express our gratitude to you during your lifetime.



Strip (detail), 1860-1870. Gift of David Ross McCord, M213.0-1 © McCord Stewart Museum

## Gifts of publicly listed securities

When you donate publicly listed securities (shares, bonds, or mutual fund units registered on a Canadian, American or international stock market) directly to the McCord Museum Foundation, you benefit from greater tax savings than if you donate the proceeds after selling such instruments first.

When you gift publicly listed securities, you avoid paying tax on the capital gain. However, if you sell your securities first and then donate the proceeds, you will have to pay tax on 50% of the capital gain.

To donate securities, simply follow the instructions we will send you explaining what is needed for your financial institution or broker to electronically transfer your securities to the McCord Museum Foundation. Following this transaction, you will receive a tax receipt for the full market value of the securities on the date your gift is transferred to the Foundation's account.

Gifting securities is an effective strategy for minimizing the fiscal impact of your investments. If you own a management company, it may be more advantageous to have the company donate the securities. We advise you to consult your tax specialist.



William Notman & Son, *Holt Renfrew fashion collection*, Montreal, 1943, II-329610 © McCord Stewart Museum

## Gifts of life insurance

Life insurance offers a simple, flexible way to make a substantial gift at an affordable price. There are different ways to give, depending on your situation.

- **Purchase a new policy**

If you purchase a new policy and name the McCord Museum Foundation as the owner and irrevocable beneficiary, each year you will receive a charitable tax receipt for the annual premiums you pay to maintain the policy. Upon your death, the Foundation will receive the death benefit, but your estate will not be entitled to a charitable receipt.

Donating a new life insurance policy is an option for all insurable donors, but it is especially advantageous for younger people who generally pay lower premiums.

- **Name the McCord Museum Foundation as the beneficiary of a new or existing life insurance policy**

If you expect your estate to be subject to a large tax bill upon your death and would like to defer any charitable tax credits, you can name the McCord Museum Foundation as the sole or partial beneficiary of a life insurance policy while remaining the owner of this policy during your lifetime.

You can designate the Foundation as a beneficiary directly in your insurance policy or add a note to your will that you bequeath all or part of your policy to the McCord Museum Foundation. You will not receive any tax receipts during your lifetime but, upon your death, your estate will receive a receipt in the amount of the death benefit bequeathed to the Foundation.

This option enables you to make a sizable donation while maintaining control over your policy.

- **Transfer ownership of an existing policy**

For a variety of reasons, you may find that a policy purchased some time ago is no longer needed. In such a case, you can opt to transfer ownership of the policy to the McCord Museum Foundation.

You will then receive a charitable receipt for the fair market value of the policy, as calculated by an actuary. Ever since 2007, when ownership of an existing policy is transferred to a charitable organization and the charity is named the irrevocable beneficiary, the donor receives a tax receipt for the fair market value of the policy rather than the cash surrender value. In addition, if the policy is not yet paid up, you will receive a charitable tax receipt for the annual premiums you pay. However, this transfer may result in a taxable gain if the cash surrender value exceeds the adjusted cost basis. We suggest you speak with your broker or insurance company to determine the specifics of your policy.



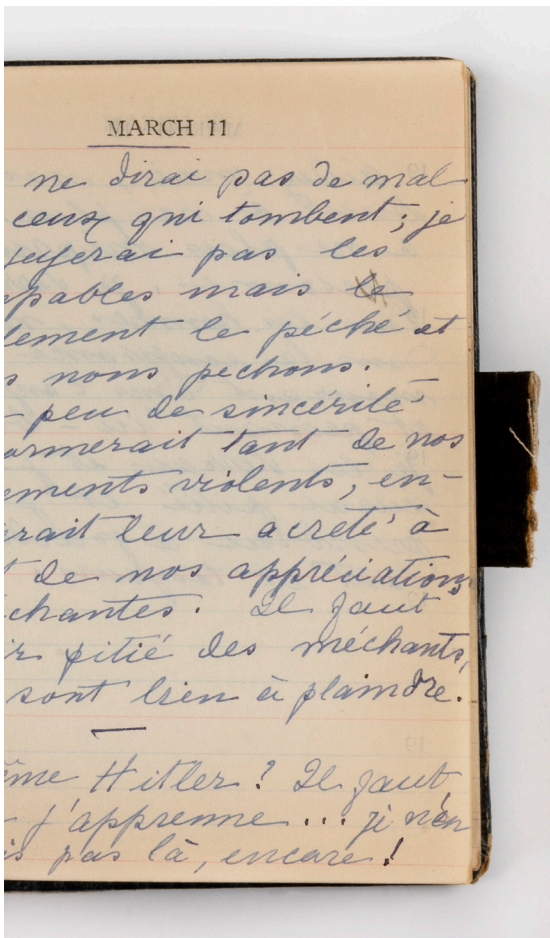
Wm. Notman & Son, *Mr. H. Song and family, Montreal*, 1913, II-198453 © McCord Stewart Museum

## Gifts of RRSPs/RRIFs

RRSPs and RRIFs are among the most heavily taxed assets upon the owner's death, because the full amount is added to the deceased's income the year of death, unless the plan is transferred to a spouse. However, upon the surviving spouse's death, these funds cannot be transferred without triggering taxes, leaving the estate with a major tax bill.

**Upon your death**, naming the McCord Museum Foundation as the sole or partial beneficiary of your RRSP or RRIF helps lower your estate's tax bill, thanks to the charitable receipt for the funds donated to the Foundation. In addition, you maintain full control over your RRSP and/or RRIF as well as the right to modify your donation during your lifetime.

**During your lifetime**, you may find that you do not need the income from mandatory RRIF withdrawals since they only increase the amount of your taxable income, depriving you of certain tax benefits. If so, you may want to donate an amount directly from your RRIF. When withdrawing these funds, you will be subject to taxes withheld at source, unless you make a special request ahead of time to avoid this withholding. If you have not made this request and had it approved by both levels of government, your official charitable receipt will enable you to recover part of this tax.



Collected thoughts of a religious and spiritual nature by Henriette Dessaulles Saint-Jacques (pen name Fadette), between 1930 and 1946. Gift of Danielle Raymond, M2020.99.1.1 © McCord Stewart Museum

## Cultural patronage

Cultural patronage is a gesture that helps provide the McCord Stewart Museum with financial security and independence. It is a monetary donation of at least \$250,000 to a cultural organization or museum that entitles the donor to a tax credit of 30% of the eligible amount of the gift.

A donation pledge registered with the Ministère de la Culture et des Communications can also be considered cultural patronage if you promise to donate at least \$250,000 over a maximum period of ten years, at a rate of at least \$25,000 per year.

A gift is considered cultural patronage if it meets all of the following conditions:

- It is a monetary donation of at least \$250,000.
- It was made by an individual (other than a trust) after July 3, 2013.
- It was made to one of the following organizations:
  - a registered charity operating in Québec in the arts or culture sector;
  - a registered cultural or communications organization;
  - a registered museum.



James Duncan, *The city of Montreal from the mountain*, before 1854. Gift of David Ross McCord, M315 © McCord Stewart Museum

For more information, please call Pierre Poirier, Senior Officer, Annual Campaign and Planned Giving, at 514-861-6701, extension 1237, or send an email to [pierre.poirier@mccord-stewart.ca](mailto:pierre.poirier@mccord-stewart.ca).

*The McCord Museum and the McCord Stewart Museum Foundation do not offer financial or legal advice. Donors are invited to consult financial advisors, tax specialists and other professionals to ensure that their planned gifts accurately take into account their specific situation as well as any legal or fiscal provisions applicable at the time of the donation.*

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