



**Jewish Federation**  
of Northern New Jersey

# LIFE INSURANCE

Using life insurance to endow a charitable gift generally allows you to make a more sizable legacy gift than you might have imagined.





# LIFE INSURANCE

Life insurance may be used to endow a gift to Jewish Federation which will perpetuate your annual support and ensure the future vitality of our Jewish community.

## How does it work?

You may gift an existing policy or purchase a new policy.

If you have an existing policy that you no longer need, you can transfer ownership to Jewish Federation of Northern New Jersey and name Federation as the beneficiary. Simply contact your insurance company or broker and complete the paperwork to transfer the policy.

If you would like to purchase a new policy, Federation endowment staff can provide you with guidelines for what policy criteria to look for. Jewish Federation of Northern New Jersey should be named as owner and beneficiary. You pay the premium amount to Federation each year and Federation will pay the insurance company. In this way, your annual premium will qualify as a charitable gift for income tax deduction purposes, possibly reducing the actual cost to you.

Ultimately, the policy proceeds will be used to establish an Endowment Fund in your name. The fund will be invested in Federation's Endowment Foundation for long term growth. Each year, a distribution will be made from your Fund to Federation in order to perpetuate your annual giving.

## What are the benefits?

- **Affordability.** Since you will be paying only the premium amount, or nothing if you simply transfer an existing policy, you may be able to make a more significant gift than you thought possible. For example, depending on your age and health, you may be able to fund a Dor L'Dor level gift (\$100,000 minimum) with a contribution of only \$15,000-\$35,000 depending on various factors.
- **Recognition.** Your gift will be recognized at the time you transfer ownership of your policy to Federation.
- **Ease.** A gift of life insurance is relatively simple to arrange.
- **Tax benefits.** You may receive estate and/or income tax benefits depending on your personal circumstances.
- **Impact.** Your gift will generate future income to support Federation and/or the causes you care about.
- **Values.** Your gift makes a statement to your children and grandchildren about your Jewish values and commitment to Jewish life and continuity.

**Jewish Federation's endowment** staff is available to work with you and your financial and legal advisors to help you realize your philanthropic goals.

This material is presented for informational purposes only and should not be construed as legal, tax or financial advice. When considering gift planning strategies, please consult with your own legal and tax advisors.

