

CHARITABLE BEQUESTS

Charitable bequests in the US are a simple way to support the future of Merton College and can provide important tax benefits to you and your heirs. All bequests to Merton College are entirely free from federal estate taxes and may allow your estate a charitable deduction.

We strongly advise you to consult with your attorney so that your Will is legally sound and in compliance with federal and state laws governing charitable gifts. Below please find suggested language for you to share with your legal advisors.

RESIDUARY BEQUEST

A Residuary Bequest enables you to give Merton College whatever remains of your estate after providing for your family, and meeting all debts and liabilities. This gift offers flexibility as you do not have to quantify the sum or take into account inflation when you draw up your Will.

Suggested language:

"I give and bequeath all (or ___%) of the rest, residue and remainder of my estate which I may own or be entitled to at the time of my death, absolutely to the Warden, Fellows and Scholars of the House or College of Scholars of Merton in the University of Oxford exclusively for its charitable and educational purposes."

SPECIFIC BEQUEST

A Specific Bequest is perhaps the most straightforward way of making a testamentary gift as you leave a specified sum of cash, appreciated securities, real estate or other real and/or personal property to Merton College. You can specify that the value of the gift remains constant, or you can guard against inflation by instructing your executors to index link the gift.

Suggested language

(cash or appreciated securities):

"I give and bequeath \$ (specify sum or # of shares of stock) which I may own or be entitled to at the time of my death, absolutely to the Warden, Fellows and Scholars of the House or College of Scholars of Merton in the University of Oxford exclusively for its charitable and educational purposes."

Suggested language

(real estate or other real/personal property):

"I give and bequeath (full description of property or item and location) which I may own or be entitled to at the time of my death, absolutely to the Warden, Fellows and Scholars of the House or College of Scholars of Merton in the University of Oxford exclusively for its charitable and educational purposes."

You are welcome to leave a bequest to the Merton College Charitable Corporation (MC3), in support of Merton College. All of the advice provided on this sheet applies to bequests to MC3, and we recommend that you contact mc3headquarters@gmail.com for further information.

GIFTS OF RETIREMENT ASSETS

Qualified retirement assets (IRAs, Keoghs, 401(k), 403(b) plans and others) left to family members often incur multiple tax penalties. If you leave your retirement assets to Merton College, no income or estate tax is taken. The entire amount goes to the College and your heirs benefit from a reduced estate tax burden. In many cases, it is advantageous to give loved ones other, lesser-taxed assets.

The simplest way to safeguard your hard-earned retirement savings is to name a charity as beneficiary through your plan's Beneficiary Designation Form. You can even leave a portion of your retirement savings to Merton which helps reduce your taxable estate on the remainder to family. Contact your plan administrator to be sure this is done properly.

Life Income Gifts:

You Benefit... Merton College Benefits

Through creative Planned Giving you may be able to produce additional lifetime income for yourself or a loved one, reduce your tax burden and pass more money on to your heirs, while still supporting the important mission and tradition of Merton College.

Charitable Remainder Trusts

A Charitable Remainder Trust is a separately invested and managed charitable trust that pays you and/or your named beneficiaries either variable (Unitrust or "CRUT") or fixed (Annuity or "CRAT") annual payments.

Virtually any asset can be used to fund a Charitable Remainder Trust, including cash, publicly traded stocks and bonds, closely held stock and real estate. Appreciated assets are sold inside the tax exempt trust so you pay no Capital Gains Tax on liquidating the asset. You can claim a charitable income tax deduction for a portion of any gift you make. Charitable Remainder Trusts can be established for life or for a term of years and when the trust ends, the principal passes to Merton College.

Charitable Lead Trust

A Charitable Lead Trust will make fixed annual payments to Merton College for a set number of years, after which you or your designated recipients receive the principal when the trust ends.

You may be able to claim a gift tax deduction for the present value of the annuity payments to your charity. You can also adjust the payments and the terms of the trust to reduce or even eliminate transfer taxes when the principal reverts to your heirs. All appreciation in the trust goes tax-free to your heirs.

Please note that this communication is accurate as of September 2021. Please check with your own tax adviser as to future tax law changes.

We are happy to help you and your advisors plan a gift which will achieve your financial, philanthropic and estate planning goals. Working closely with the University of Oxford New York Planned Giving Office, we offer a confidential, no obligation service. Please contact the Merton College Development Office directly on +44 (0)1865 276316, or development@merton.ox.ac.uk, or The University of Oxford North American Office (500 Fifth Avenue, 32nd Floor, New York, NY 10110) at (212) 3774900 or gifts@oxfordna.org.