



ST. SEBASTIAN'S SCHOOL

A Charitable Remainder Trust



Make a Gift & Receive Income For Life

Do you have an asset, such as securities or real estate, that you would like to give to St. Sebastian's School, but you need the income the property provides? Or do you have an asset from which you would like to receive more income, but you hesitate to sell it because taxes on your capital gain would take a big bite out of your proceeds. If so, you should consider donating your asset to a charitable remainder trust.

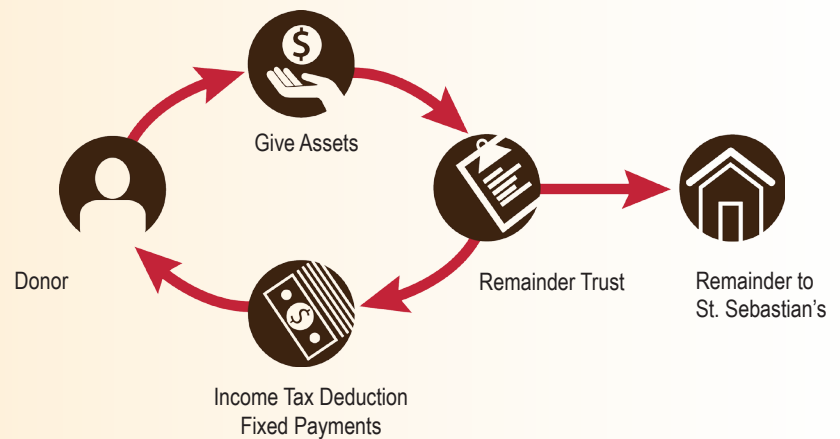
With a charitable remainder trust, you can make a gift to St. Sebastian's School to support and receive lifetime income. Because a charitable remainder trust is tax-exempt, there is no capital gains tax when the trust receives your appreciated assets or when it sells them. The trust can put the full fair market value of your asset to work first for you and ultimately for the St. Sebastian's School. In addition, you receive an income tax charitable deduction for a portion of the trust amount which can be used immediately to save on income taxes.

How a charitable remainder trust works:

- You transfer assets to a trust.
- You choose a trustee to oversee the operation of your trust or serve in that role yourself. St. Sebastian's School is happy to serve as trustee if you fund your trust with assets worth \$_____ or more and you name St. Sebastian's School the beneficiary of at least ___% of what's left in the trust when it ends.]
- You choose the income beneficiaries of the trust. It can be you, you and your spouse, loved ones, devoted employees, or anyone else you wish. The trustee manages the trust assets and pays income each year to these beneficiaries.
- The payments made to beneficiaries may be the same amount each year, offering the security of fixed payments, or vary based on a percentage of the trust value, offering the possibility that payments may grow over time.
- When the trust term ends, usually upon the passing of the income beneficiaries, its remaining assets go to St. Sebastian's School for use as you directed.

EXAMPLE:

Bob and Nan, ages 68 and 65, own \$250,000 worth of stock they purchased years ago for \$50,000. Instead of selling it and reinvesting the after-tax proceeds of \$220,000, they contribute the stock to a charitable remainder unitrust with a payout rate of 5 percent for their lifetimes and receive an income tax deduction of \$89,453*.



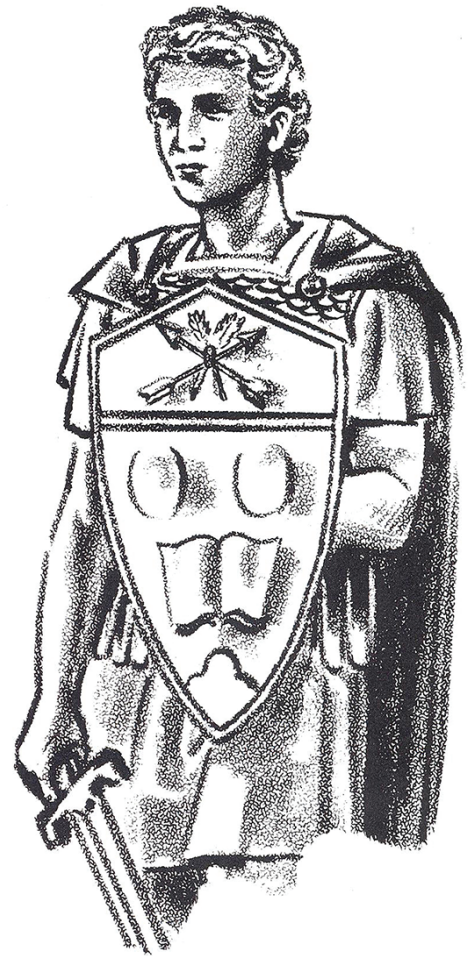
The trustee sells the stock (paying no tax on the gain), reinvests the proceeds, and earns a net total return of 7 percent. The trust pays Bob and Nan \$12,500 (5% of \$250,000) in its first full year. If trust principal continues to grow by a net 2 percent, the payments will increase each year. When the trust terminates, St. Sebastian's School will receive the principal to be used in accordance with the wishes of Bob and Nan.

* The actual amount of the charitable deduction will depend on the value of the asset contributed, the ages of the beneficiaries, the trust payout rate, the timing of the trust payments, and the IRS discount rate in effect at the time.

A trust can be tailored to your needs:

- Increase cash flow
- Provide supplemental retirement income
- Provide for other family members

“St. Sebastian’s School was a most important factor in my early education, it is where I learned to study and appreciate academic excellence...”
— Richard Palmaccio ‘62



NEXT STEPS:

To receive further information and assistance on a charitable remainder trust, or to learn more about how your gift can help the St. Sebastian’s School, please contact Richard F. Arms.

- call (781) 449-5200 Ext.116
- email richard_arms@stsebs.org

* Because everyone’s situation is different, we encourage you to seek professional legal, estate planning, and financial advice before deciding on a course of action. This information does not constitute legal or financial advice and should not be relied upon as a substitute for professional advice.



ST. SEBASTIAN’S
SCHOOL

By supporting St. Sebastian’s with your philanthropic donations, you will help ensure that, decades from now, our school remains steadfast in its commitment to its faith, students and scholarship.

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