

Gifts to benefit the Colonial Theatre now:

Gifts of appreciated stock give immediate benefit to the Colonial while providing you a current income tax deduction. Upon receipt, the Colonial can sell the appreciated stock without capital gain tax and you receive a charitable deduction equal to the full fair market value of the stock. In order to qualify fully for this benefit, you must have owned the donated stock for over 1 year prior to contribution to the Colonial.

Charitable lead trusts allow you to potentially leave property to heirs without gift and estate tax costs, save income tax, and provide income to the Colonial today. You contribute assets to a trust and set an amount or a fixed percentage to be paid to the Colonial for a designated period of time, or for your lifetime. At the end of this period, the trust is terminated and the remaining property is either returned to you or distributed to named beneficiaries gift and estate-tax free.

Gifts of tangible personal property that are useful to the Colonial in pursuit of its non-profit mission, including real estate, can offer an immediate tax deduction and, if qualified as a long-term capital asset (held for more than 1 year), offer avoidance of capital gains tax, removal of the asset from your estate, and, if appropriate, elimination of maintenance costs of the property. An independent appraisal is required to establish the valuation of the property.

Gifts to benefit the Colonial Theatre in the future:

Bequests in your will allow you to provide a legacy gift to the Colonial. You may make a bequest to the Colonial by preparing a new will or adding a codicil amending an existing one. A charitable bequest is deductible in calculating your taxable estate. There is no limit to the amount of the deduction. The following language is appropriate for making an unrestricted bequest: *“I give (the sum of _____ dollars or _____ percent of the residuary of my estate), to the Association for the Colonial Theatre of Pennsylvania, for its general corporate purposes.”*

Charitable remainder trusts enable you to make an irrevocable contribution to the future of the Colonial while you receive lifetime annual payments and significant tax benefits. Your annual income stream is established at the formation of the trust and may be a fixed dollar amount or a percentage of the assets each year for your lifetime. When the trust terminates, the remainder goes to the Colonial.

Retirement Plans provide a great opportunity for gifting. Naming the Colonial as beneficiary of your unused retirement plan assets avoids income tax on the distribution from the plan and removes the asset from your taxable, and probate estate.

Gifts of life insurance proceeds provide direct benefit to the Colonial. Naming the Colonial as beneficiary of a life insurance policy avoids all estate taxes on the distribution from the life insurance company upon your death.

Gifts of real estate while reserving a life interest allow you to enjoy the property for your lifetime with lasting benefits to the Colonial. It also entitles you to a current income tax deduction equal to the asset's fair market value, an avoidance of capital gains tax, and the removal of the asset from your estate. To qualify, you must make the gift now rather than in your will. Through the retention of a “life estate”, you maintain the right to occupy the property during your lifetime, while making an immediate and irrevocable transfer of title to the Colonial.



This outline is prepared as a guide to planning and should in no way be interpreted as tax advice for your specific situation. Tax laws can and do change from year to year, and thus, we encourage you to consult your own legal, accounting, estate, and other professional advisors as you consider options for giving to the Association for the Colonial Theatre.

Donors who make a planned gift to the Association for the Colonial Theatre will be recognized in the program as having made a commitment to the long-term success of the Colonial Theatre.

For more information, please contact:

- Mary Foote
Executive Director
Association for the Colonial Theatre
227 Bridge Street
Phoenixville, PA 19460
610-917-1228
Fax: 610-917-0509
Email: mary@thecolonialtheatre.com

The official registration and financial information of The Association for the Colonial Theatre may be obtained from the Pennsylvania Department of State by calling toll-free, within Pennsylvania, 1-800-732-0999. Registration does not imply endorsement.

Consider
giving a
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to the
Colonial
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