

Charitable Lead Trust

A charitable lead trust lets you provide sustained philanthropic support to UCLA and benefit from significant tax advantages. When the trust ends, the assets pass to your loved ones.

Build a meaningful legacy in support of UCLA while preserving valuable and cherished assets.



With a young patient. Mattel's Children's Hospital is one of the nation's top pediatric hospitals.



What Are the Benefits of a Charitable Lead Trust?

- This gift arrangement allows you to place assets into a trust that generates regular distributions in support of UCLA for a period of years or your lifetime.
- Your philanthropic impact is maximized because the university receives an assured flow of funds for a number of years.
- Receive an immediate gift tax deduction for the present value of the distributions to UCLA, allowing you to pass assets to loved ones at a reduced transfer tax value.
- When the trust ends, the assets are transferred to your heirs with low or no gift taxes.
- The appreciation in the trust asset value is transferred to your heirs free of gift tax.
- This may enable you to pass to your heirs a larger gift than might otherwise be possible.
- The UCLA Foundation can serve as trustee of your lead trust and manage the assets, or you may decide to serve as trustee or to choose your own trustee.

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Top left: Within the UCLA Herb Alpert School of Music, the Department of Music counts 13 performance ensembles and the Department of Ethnomusicology has 16.

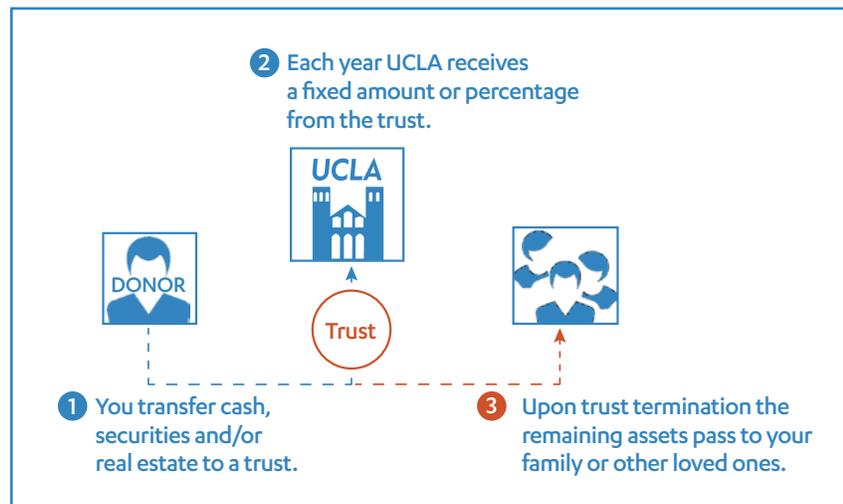
Left: Maynard Lyndon, a Los Angeles architect known for his innovative approach to the use of natural light, designed and built UCLA's Bunche Hall in 1964. This is the campus hub of Social Sciences and is named for Ralph J. Bunche, UCLA alumnus, 1950 Nobel Peace Prize recipient, and Under-Secretary General of the United Nations.



How Does a Charitable Lead Trust Work?

- A charitable lead trust makes annual distributions to UCLA. These payments can be a fixed amount or a fixed percentage of the trust value.
- When you establish your lead trust, you also determine the number of years it will last and the percentage that will be used to make annual charitable gifts (the payout rate).
- When the trust term ends, the remaining assets are transferred to your heirs.
- A charitable lead trust is often funded with cash or with assets that can be expected to have a significant increase in value over the duration of the trust.
- During the term of the trust, its income and capital gains may be taxable.
- Any appreciation of the assets during the term of the trust is not subject to gift tax at the trust's termination.
- Each year, the trustee will file a tax return listing the income and distributions of the trust.

The Archive of Popular American Music (part of UCLA Library Digital Collections) which covers the history of popular music in the U.S. from 1790 to the present and includes close to 450,000 pieces of sheet music, anthologies and arrangements, along with 62,500 recordings on disc, tape and cylinder.



UCLA's gift planning professionals are happy to provide you with personalized illustrations of the advantages that a charitable lead trust offers so that you can review this information with your financial and legal advisors. Conversations with the university's gift planning team are always confidential and never imply obligation.