

CHARITABLE LEAD TRUST

BUILD A LASTING LEGACY THAT ALSO CREATES ESTATE AND TAX BENEFITS.

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 back to you or to your loved ones.



From top:

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

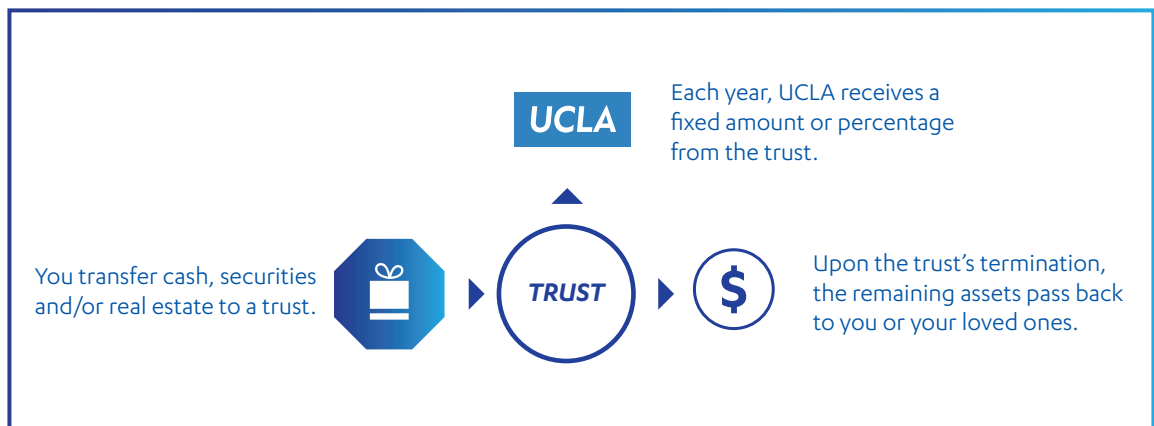
The Moniker Brass Quintet is one of the many student ensembles at the UCLA Herb Alpert School of Music.

BENEFITS

- 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 for your lifetime.
- Your philanthropic impact is maximized because the university receives an assured flow of funds for a number of years.
- You can choose to establish a “grantor lead trust” to have the assets transferred back to you when the trust ends. You may benefit from a tax deduction at the time you fund the trust.
- Or you can establish a “non-grantor lead trust” to have the assets passed on to your heirs when the trust ends. The appreciation in the trust asset value is transferred to your heirs with low or no gift tax.
- This may enable you to pass a larger gift to your heirs 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.

HOW IT WORKS

- 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 back to you or 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.



UCLA's gift planning professionals are happy to provide you and your legal and financial advisors with personalized illustrations of the benefits that a charitable lead trust offers. Any information in this publication is not intended as legal, accounting or financial advice. Please consult with your tax, legal and financial advisors to ascertain whether this or other gift plans are in keeping with your own tax and financial needs. Conversations with the university's gift planning team are always confidential and never imply obligation.

UCLA Office of Gift Planning

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The UCLA Foundation tax ID: 95-2250801