Baylor University
Ways to Give Guide
The mission of Baylor University is to educate men and women for worldwide leadership and service by integrating academic excellence and Christian commitment within a caring community.
Greetings!

During his two decades of service as president of Baylor University, first in Independence and then in Waco, Rufus C. Burleson worked steadfastly to increase Baylor’s enrollment and its financial resources in the University’s early years. President Burleson did this in a variety of ways, including writing letters for general circulation among Baylor alumni. In one such letter, penned toward the end of his career, he wrote, “The affection, confidence, and aid of our old students and patrons has been . . . the cause of our unparalleled success for forty years.”

Baylor has long enjoyed the passionate support of students, parents, alumni, and friends — and, as President Burleson noted, such support has been invaluable. As the state’s oldest continually operating institution of higher education, Baylor has grown in remarkable ways over the decades while remaining true to its founding mission. Along the way, generation after generation of Baylor graduates have gone on to communities around the world to become pioneers in their fields and pillars in their hometowns.

Our remarkable history has given Baylor a strong foundation for a bright future. As we pursue our aspiration to become a preeminent Christian research university, we are continuing to provide our students with a life-changing educational experience. Of course, none of our success would be possible without the generous gifts made by alumni and Baylor supporters. The creation of our future will continue to be a shared endeavor, dependent upon the work of many hands and the prayers of many hearts.

There are many ways to support Baylor and to open the doors of higher education to our students. I hope you will find this booklet informative as you consider how best to strengthen Baylor through your philanthropic support.

Baylor University is a special place. As we strive to fulfill our unique mission in the world of higher education and prepare the next generation of leaders for our world, we are deeply grateful for your “affection, confidence, and aid,” as President Burleson phrased it so many years ago. Your gifts will create a legacy on our campus that will reach far into the future.

Thank you,

Linda A. Livingstone, Ph.D.
President
Baylor University
Benefits

• Tend to be the most common means of philanthropy.
• Go straight to work supporting the programs that are important to you or can help grow endowed funds that support programs into the future.
• Are immediately available to the University for both donor-designated or undesignated purposes.
• May be combined with other techniques described in this guide to maximize the impact of your gift.

Did you know?

• Many companies offer matching gift programs to encourage employees to make charitable contributions. Matching gifts are a great vehicle for donors to multiply the impact of their gift. To find out if your company has a matching gift program, use our search tool at baylor.edu/giving/matching.

How to

• You may mail gifts to:
  University Development
  One Bear Place #97050
  Waco, TX 76798-7050
• To make a gift online using a credit card, visit baylor.edu/giving.
• Baylor also accepts wired funds. Please contact us for assistance.

Cash
Simple with immediate impact

Appreciated Securities
Minimize tax and maximize gift

Benefits

• Giving appreciated securities—stocks and bonds—can be tax efficient for the donor.
• If you make a gift of securities directly to Baylor, you will receive an income tax deduction—and gift credit with Baylor—for the full market value, without paying any capital gains tax.
• If you were to sell these securities before making the gift, you would have to pay tax on any capital gains.

How to

• If you own securities in a brokerage account, these shares can easily be electronically transferred to Baylor. Complete and return Baylor’s Stock Transfer Form available at baylor.edu/giving/stock.
• Please contact us for assistance if you own stock in certificate form.
• Closely held stock and other securities that are not publicly traded work best when there is a mechanism for Baylor to sell the gifted interest to other shareholders or the corporation itself. For these gifts, the donor must usually obtain an appraisal to claim a tax deduction. Contact us for assistance.

<table>
<thead>
<tr>
<th></th>
<th>Give $10,000 Cash to Baylor</th>
<th>SELL $10,000 in Appreciated Stock and Give Cash to Baylor</th>
<th>GIVE $10,000 in Appreciated Stock to Baylor</th>
</tr>
</thead>
<tbody>
<tr>
<td>FMV of gift</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$10,000</td>
</tr>
<tr>
<td>Basis</td>
<td>n/a</td>
<td>$2,000</td>
<td>$2,000</td>
</tr>
<tr>
<td>Capital Gain</td>
<td>n/a</td>
<td>$8,000</td>
<td>$8,000</td>
</tr>
<tr>
<td>Tax on Capital Gain (15% x $8,000)</td>
<td>n/a</td>
<td>$1,200</td>
<td>No tax due – tax savings of $1,200</td>
</tr>
<tr>
<td>Income Tax Deduction (24% x $10,000)</td>
<td>$2,400</td>
<td>$2,400</td>
<td>$2,400</td>
</tr>
<tr>
<td>Tax Savings</td>
<td>$2,400</td>
<td>$1,200</td>
<td>$3,600</td>
</tr>
<tr>
<td>Net Cost of Gift to Donor</td>
<td>$7,600</td>
<td>$8,800</td>
<td>$6,400</td>
</tr>
</tbody>
</table>

*Assumes federal tax rate only.
IRA Charitable Rollover

Make a powerful impact on your estate and future Baylor students

Benefits
- If you are 70 1/2 or older, you can avoid taxes on transfers of up to $100,000 from your IRA to Baylor University.
- A Charitable IRA Rollover gift will satisfy your required minimum distribution (RMD) for the year.
- You can reduce your taxable income, even if you do not itemize deductions.
- Such a gift is not subject to the 60% deduction limits on charitable gifts.
- Help further the work and mission of Baylor University.

Did you know?
- Certain restrictions and requirements* must be followed when making this type of gift. If you have questions, please call the Office of Gift Planning at Baylor University at (254) 710-2561. Before proceeding, you should also consult with your tax advisor to discuss your situation including any impact of your state’s tax laws.

How to
- You can make an IRA Charitable Rollover gift by utilizing the form letters available at [baylor.edu/ira-rollover](http://baylor.edu/ira-rollover) to take two simple steps:
  1. Send a written request to your IRA plan administrator requesting that the distribution be made payable to Baylor University.
  2. Contact us to let us know about this important transfer and to designate your gift.

- For example, the following transfers will not qualify: distributions to private foundations, to donor advised funds, for life income gifts (e.g., charitable remainder trusts) and for any purpose that entitles you to receive a benefit, such as preferred seating at athletics events or tickets to a dinner.

Retirement Plan Assets

Avoid double taxation

Benefits
- Retirement accounts such as IRAs, 401(k), and 403(b) plans can be subject to double taxation—ordinary income tax and estate tax—meaning that more than 60 percent can go to taxes if left to your heirs.
- Retirement plan assets left to Baylor will transfer tax-free.
- In planning your estate, consider leaving Baylor your retirement plan assets, and leave more favorably taxed assets to your family.

Did you know?
- Most retirement accounts allow the owner to select beneficiaries to receive the plan assets remaining at death.

How to
- Please contact your retirement account administrator to designate Baylor as beneficiary.
- For more information on gifts of retirement assets, visit [baylor.edu/giftplanning](http://baylor.edu/giftplanning).
- If you choose to name Baylor as beneficiary of your retirement plan, please contact us and share your plans. Your plans will remain confidential, and we will be able to ensure that when the time comes Baylor understands and can abide by your intentions.
Charitable Remainder Trust:

Benefits

• Transfer property (cash, securities, closely held stock, real estate or other assets) to a Charitable Remainder Trust and retain an income interest for you and other beneficiaries for life or a term of up to 20 years.
• Avoid capital gains tax and claim an income tax deduction that represents the present value of the eventual gift to Baylor.
• Benefit Baylor for the purpose you designate with the remaining balance of the trust when it terminates.

Did you know?

• Income beneficiaries can be the donors, family members, or others.
• An Annuity Trust makes a fixed annual payment and a Unitrust makes a variable annual payment based on an annual revaluation.

How to

• Contact us to discuss the process and for a no-obligation proposal.

Charitable Gift Annuity:

Benefits

• In exchange for your gift of liquid assets (cash or publicly traded stock), Baylor commits to make lifetime fixed annuity payments (with rates based on annuitants’ age) to one or two annuitants.
• The contractual obligation is backed by Baylor and its assets, making this a very secure source of future income.
• After the death of the last annuitant, the balance of the remaining gift will be used by Baylor for the purpose you have designated.
• Donors receive an income tax deduction based on the fair market value of the assets contributed less the present value of the future annuity payments.
• Save on capital gains taxes when you contribute appreciated assets.

Did you know?

• Payments to annuitants are generally partly taxable as ordinary income and capital gain (depending on the gift asset), and a portion is usually treated as tax-free return of principal.
• Defer the payment starting date with a Deferred Gift Annuity with the same benefits as above, but the annuitant can choose to start receiving payments in the future. The older the annuitant is when he or she elects to receive them, the larger the payment.

How to

• Contact us to discuss the process and for a no-obligation proposal.
Outright Gifts:

Benefits
• Receive a charitable income tax deduction for the full fair market value of the property.
• Avoid capital gains tax on any appreciation.
• Transfer to Baylor the burden and expense of managing and selling your property.
• Create a lasting legacy at Baylor with your gift.

Did you know?
• Property subject to a mortgage may not be suitable as a gift to Baylor due to tax and other considerations.
• Before accepting a gift of real estate, Baylor must conduct due diligence on the property, including assessment of marketability and environmental concerns.

How to
• Baylor’s Office of Gift Planning with the support of Baylor’s Office of Real Estate Services has all the resources and expertise needed to facilitate most real estate gifts.
• Please contact us for assistance.

Retained Life Estate:

Benefits
• Transfer title to your personal residence now, while retaining the right to live in or use it for the rest of your life or another’s life. Upon the death(s) of the life tenant(s), title to the property vests in Baylor and any subsequent sale proceeds will be applied to the purpose you designate.
• You receive an immediate income tax deduction based on the fair market value less the present value of the retained life estate.

Did you know?
• If you move out of the donated property, you can still rent it and collect the rental income.
• While they are living, life tenants are responsible for property taxes, insurance, maintenance and upkeep, although they do not pay any rent to Baylor.
• Properties subject to a mortgage may not be appropriate for this type of gift.
• Before accepting a gift of real estate, Baylor must conduct due diligence on the property, including assessment of marketability and environmental concerns.

How to
• Please contact us for assistance.
# A Summary of Your Options for Giving to Baylor University

<table>
<thead>
<tr>
<th>Your Objective</th>
<th>Cash</th>
<th>Securities</th>
<th>Real Estate</th>
<th>IRA Charitable Rollover</th>
<th>Retirement Plan Assets</th>
<th>Life Insurance</th>
<th>POD/TOD Accounts</th>
<th>Bequest</th>
<th>Charitable Gift Annuity</th>
<th>Charitable Remainder Trust</th>
<th>Charitable Lead Trust</th>
</tr>
</thead>
<tbody>
<tr>
<td>Make a quick, immediate and simple gift</td>
<td>Make a quick, immediate and relatively simple gift</td>
<td>Make an outright gift of real estate that is no longer needed or Transfer title to your personal residence and continue to live there for life</td>
<td>If you are 70 1/2 or older, make a gift directly from your IRA up to $100,000 per year and satisfy your required minimum distribution for the year</td>
<td>Make a gift upon your death of assets in your retirement account</td>
<td>Make a large gift with little out-of-pocket cost</td>
<td>Make a gift of your bank account, CD, or investment account upon your death</td>
<td>Make a gift of assets upon your death</td>
<td>Make a gift to Baylor and receive fixed income for life</td>
<td>Make a charitable gift and save on taxes in the year of the gift</td>
<td>Make a charitable gift and reduce gift and estate taxes on assets you pass to your heirs</td>
<td></td>
</tr>
</tbody>
</table>

| Your Action | Write a check, use credit card, or go to baylor.edu/giving to make a cash donation | Convey your real estate (including all or a portion of mineral interests) to Baylor | Convey long-term appreciated securities | Name Baylor University as custodian to make a distribution directly to Baylor University | Name Baylor University as beneficiary of your life insurance policy | Name Baylor University as payable/transfer on death beneficiary | Name Baylor as owner or beneficiary of your retirement plan assets | Name Baylor University as beneficiary of your will or trust | Sign a contract with Baylor to receive fixed income in exchange for gift of cash or publicly traded stock | Create a trust that pays you or others fixed or variable income annually with the remainder upon trust termination benefiting Baylor |

| Your Advantages | Immediate charitable income tax deduction | Immediate charitable income tax deduction | Immediate charitable income tax deduction | Reduce your taxable income, even if you do not itemize deductions | Gift your most highly taxed assets | If you name Baylor as owner, you can receive a charitable deduction for your premium payments | Lifetime control of your account | Lifetime control of assets | Immediate charitable income tax deduction | Immediate charitable income tax deduction |

1 Certain restrictions and requirements must be followed when making this type of gift. If you have questions, please call the Office of Gift Planning at Baylor University at (254) 710-2561.
2 Governed by state law. Please discuss this gift option with your banking or investment professional. POD applies to bank accounts and CDs. TOD applies to investment accounts.
3 Not available in some states. Call us to discuss.
Benefits
• Can greatly reduce or eliminate gift or estate tax on trust assets passing to family members.
• Makes annual payments to Baylor for a period of time set by the donor, then distributes the remaining assets to the donor’s family or other named beneficiaries.
• This structure provides a tax-advantaged method of supporting Baylor for a set number of years, with a potentially significant future tax-free distribution to family and other heirs.

Did you know?
• A Charitable Lead Trust is complex in nature and must be carefully reviewed by the donor’s advisors to ensure that it is compatible with their entire estate plan.

How to
• Please contact us for no-obligation assistance.

Life Insurance
Two ways to give

Benefits
• Life insurance allows donors to leverage their resources while providing an extraordinary gift for future Bears.
• You can donate your existing policy by making Baylor the owner and receive an income tax deduction.

Did you know?
There are two ways to give:

1. Baylor as beneficiary: You can maintain ownership of your policy and name Baylor as a beneficiary. This way you maintain the flexibility to change beneficiaries if your situation changes.
2. Baylor as owner/beneficiary: You can donate your fully paid up policy to Baylor. Gifts of policies that are not fully paid up will normally be cashed out by the University, unless the donor is willing to make future premium payments, which are tax deductible.

How to
• Please contact your life insurance administrator to complete an updated designation of beneficiary form.
• If you choose to name Baylor as beneficiary of your life insurance policy, please share your plans with us. Your plans will remain confidential, and we will be able to ensure that when the time comes Baylor understands and can abide by your intentions.
• To transfer ownership, contact us for assistance.
Bequests
A revocable gift in your will or living trust

Benefits
• A bequest is a gift to Baylor at your passing, generally through a provision in your will or living trust.
• It may be revoked at any time during your lifetime if your situation changes.

Did you know?
• A bequest might not be received by Baylor for many years – so there’s a delay in funding the gifted purpose. As a result, restrictions placed on the use of your gift should be as minimal as possible, providing Baylor with maximum flexibility, as priorities and programs change over time.
• A will is your opportunity to direct how your estate — regardless of its size — passes upon your death.
• You can support Baylor by:
  • Making a gift of a specific dollar amount
  • Giving a specific asset
  • Making a gift of a percentage of your estate
  • Leaving Baylor the remainder of your estate after providing for others

How to
• For suggested bequest language, visit baylor.edu/giftplanning or contact us.
• If you choose to direct a bequest to Baylor, please share your plans with us. Your plans will remain confidential, and we will be able to ensure that when the time comes Baylor understands and can abide by your intentions.

Payable on Death (POD) and Transfer on Death (TOD) Accounts
Name Baylor as payee or transferee

Benefits
• Control your account for life
• Place POD designation on bank accounts or certificates of deposit
• Place TOD designation on brokerage or investment accounts

Did you know?
• You can give your bank account, CD, or investment account to Baylor by naming the University as payee or transferee upon your death.
• State law governs these types of accounts. Check with your bank representative or investment advisor if you are considering this type of gift.

How to
• Talk to your account administrator for more details about how to name Baylor as payee or transferee upon your death.
• If you choose to name Baylor as payee or transferee, please contact us to share your plans. Your plans will remain confidential, and we will be able to ensure that when the time comes Baylor understands and can abide by your intentions.
Organized in 1991, the Old Main Society (OMS) recognizes alumni and friends who have affirmed their commitment to Baylor University’s future through a deferred gift.

Since its inception, a great number of households have been inducted into the Old Main Society. Many of these visionary donors have planted seeds for trees under which they will never sit.

Their deferred gifts will provide scholarships, professorships, and chairs and support many other programs.

OMS membership is one way the University is able to thank you during your lifetime for your planned gift.

Benefits of Membership:
- Satisfaction in giving, knowing that your gift will impact Baylor students for generations to come.
- Invitations to enjoyable and informative events and other special programs highlighting Baylor’s faculty and students.
- Invitations to select Presidential events.
- A framed picture of Old Main symbolizing your commitment to Baylor’s heritage and future.

If you have invested in the future of Baylor University or wish to do so through your estate plans, please allow us to recognize that noble act and express to you our deepest appreciation. A planned gift of any size qualifies you for membership in the Old Main Society because every gift has a lasting impact. Please contact our Office of Gift Planning to share the details of your gift, which will be kept confidential.

A planned gift is generally a deferred gift where Baylor benefits at some point in the future. The most common planned gifts are bequests, trusts, charitable gift annuities, charitable remainder trusts, life insurance and retirement benefits.

A well-designed estate plan is part of good stewardship. By working with your loved ones and advisors, you may establish a plan that reflects your personal and philanthropic goals while also being tax-wise.

Your planned gift can be designated in the area(s) of Baylor you desire to support. The Office of Gift Planning can assist you.
For more information or to meet with a gift planning officer, please contact:

University Development
Office of Gift Planning
One Bear Place #97026
Waco, TX 76798-7026
(254) 710-2561
baylor.edu/giftplanning
University_Development@baylor.edu

Baylor University’s Federal Tax I.D. number is 74-1159753

This publication is not intended as legal, accounting, or other professional advice. The University strongly encourages all donors and prospective donors to Baylor to engage the services of an appropriate professional advisor whenever planning a charitable gift with tax and/or other financial implications, or when amending or creating an estate plan.