

THE BENEFITS – AND RESPONSIBILITIES – OF REAL ESTATE OWNERSHIP

Owning real estate has many benefits. Appreciation is perhaps the most desirable of them from a financial perspective. Over time, however, the benefit of appreciation can be overshadowed by the responsibilities of real estate ownership. A personal residence can become too large as children go off to college; a vacation home requires costly upkeep and may be used less frequently; investment properties can become burdensome to maintain and manage. Selling is always an option, but an often overlooked option – with considerable financial benefits - is giving the property to the American Council of Learned Societies.

SELLING AND PAYING TAXES

Selling a property owned for many years can result in excessive taxes. This is particularly the case for vacation homes and investment properties. A significant portion of the sale proceeds may be lost to taxes.

GIVING TO THE AMERICAN COUNCIL OF LEARNED SOCIETIES AND SAVING TAXES

There is an alternative to selling and paying taxes! Make a gift of your real estate to benefit the American Council of Learned Societies instead and save taxes, and, if you wish, create a new stream of income. When you give a property either directly to the American Council of Learned Societies or to a charitable remainder trust that will ultimately benefit ACLS, your tax and financial benefits are likely to be considerable.

WAYS YOU CAN GIVE REAL ESTATE TO THE AMERICAN COUNCIL OF LEARNED SOCIETIES

An Outright Gift – Give your real estate directly to the American Council of Learned Societies. While ACLS will need to determine if the property is suitable for it to accept the transfer itself requires little more than a deed. You will receive an income tax charitable deduction for the fair market value of your gift and escape all taxes on the capital gains.

A Gift in Your Will or Revocable Living Trust – If you wish to retain control of your property during your lifetime but desire to make a gift to benefit the American Council of Learned Societies after your passing, a provision in your will or revocable trust can give the real estate to ACLS from your estate. Should your needs change, you will have the ability to revoke the gift.



Fellow Anna Stirr (front right) records a pair of singers as part of her research on dohori songs, the distinctive improvised duets of Nepal.



A Gift in Exchange for Income – If you wish to give your property to the American Council of Learned Societies, but are looking to create an income stream or replace lost rental income, you can transfer the property into a tax-exempt charitable remainder trust. You will receive an income tax charitable deduction for a portion of the fair market value of the property. The trust will sell the property and no taxes will be due. All the proceeds from sale will be invested. You and/or others you designate in the trust agreement will receive payments for life. When the trust terminates, the remaining trust assets will go to benefit the American Council of Learned Societies.

A Gift of Some But Not All – You can give a percentage interest in your property to the American Council of Learned Societies and keep the remaining interest. This will result in an income tax charitable deduction for the fair market value of the interest you give to the American Council of Learned Societies. It is possible for both ACLS and you to join together to sell the property, with both you and the American Council of Learned Societies receiving cash proceeds. You can use your charitable deduction to offset capital gain taxes from the sale of the interest you retained. You can also give a percentage interest in your property to a charitable remainder trust, which will generate an income stream for you and loved ones once the property is sold.

THE 1919 SOCIETY

To recognize those who have invested in ACLS and have realized the important legacy a planned gift creates, ACLS has established The 1919 Society. Named for the year of our founding, The 1919 Society acknowledges forward-thinking benefactors who partner with ACLS to help keep the humanities vital and relevant for future generations.

Everyone who has notified ACLS of an estate intention is recognized as a member of The 1919 Society.

WE ARE HERE TO ASSIST

If you have questions please contact our Office of Gift Planning at 646-485-5960, or by sending an email to nglotzer@acl.org.

