



INTRODUCTION TO PLANNED GIVING OPTIONS

In all honesty, not many of us like to think ahead about our final days and our final words. In fact, half of us pass on without a written estate plan. Yet we all have an opportunity to leave a lasting legacy that speaks of who we are and what we hope for those we leave behind.

Planned giving provides the tools for each of us to make a meaningful final statement about what we love, cherish, and hold dear. Whether honoring a loved one or a favorite charity, our planned gifts provide support that continues long after the reading of a last will and testament.

Listed below are some of the most common bequest and trust arrangements. This information is general in nature; we are available to answer questions, but we strongly recommend that you consult your attorney, and your tax or financial advisors to draw up an estate plan that is specific to your interests and needs.

WILLS AND BEQUESTS

A will enables you to:

- direct the distribution of your assets
- provide for your heirs in the way you choose rather than as state and federal laws direct
- possibly reduce or eliminate certain estate taxes and court costs, and
- designate a portion of your assets as a gift to your favorite charity

Testamentary gifts to the Tennessee Theatre can take many forms, either through a new will, or through a codicil, an amendment to your existing will. There are several different types of charitable bequests that you may select:

Cash Bequest – The Tennessee Theatre receives a specified dollar amount.

Specific Bequest or Devise of Property – The Tennessee Theatre receives specified assets, such as securities, an interest in real estate (such as a residence), or tangible personal property (such as art work, jewelry, or rare books).

Residuary Bequest or Devise – The Tennessee Theatre receives all, or a percentage of, the remainder of your estate after specific legacies, debts, taxes, and estate expenses have been paid.

Contingent Bequest or Devise – The Tennessee Theatre receives a gift only if certain conditions are met. There are a wide variety of conditions that you could place on such a bequest. For example, if you outlive other named beneficiaries, then part or all of your estate would benefit the Tennessee Theatre.

Tax Benefits – Your bequest to the Tennessee Theatre may qualify your estate for a charitable deduction equal to the entire amount of the bequest. Please consult your tax or financial adviser for further information.

EXAMPLES OF TESTAMENTARY LANGUAGE

The following are examples of language that can be included in your will or trust, and tailored to address your specific interests:

Unrestricted Bequest – An unrestricted bequest allows your support to be used in the area of greatest need. “I give and bequeath to The Tennessee Theatre, a non-profit organization (Tax ID #62-1651302), with a principal business address of 604 S. Gay Street, Knoxville, TN 37902, for its general purposes, the sum of ____ Dollars (\$____)” – OR – “__% of my residuary estate.”

Restricted Bequest – If you have a more specific purpose in mind, please contact us so we can work with you to ensure that your wishes are met. “I give and bequeath to The Tennessee Theatre, a non-profit organization (Tax ID #62-1651302), with a principal business address of 604 S. Gay Street, Knoxville, TN 37902, the sum of ____ dollars (\$____) – OR – __% of my residuary estate to support _____ [e.g., Preservation Endowment, Youth Arts Alliance Fund, Wurlitzer Organ Maintenance Fund, etc.]”

Bequest of Specific Assets – “I give and bequeath to The Tennessee Theatre, a non-profit organization (Tax ID #62-1651302), with a principal business address of 604 S. Gay Street, Knoxville, TN 37902, for its general purposes, _____ [e.g., a vacation home, acreage, a painting, stocks, jewelry].” Include specific details, such as the address of a vacation home, or the title and artist of any piece of art.

CHARITABLE REMAINDER TRUSTS AND CHARITABLE LEAD TRUSTS

As an alternative to an outright bequest, you may wish to consider establishing either a charitable remainder trust or a charitable lead trust during your lifetime, or through your estate plan.

Charitable Remainder Trust – One or more named beneficiaries receive income for life, or for a specified term of years, after which time the assets pass to The Tennessee Theatre. Through this arrangement, you can provide income to family members or friends, realize significant tax savings, and ensure important benefits to The Tennessee Theatre after the trust’s termination.

Charitable Lead Trust – Income from the trust is paid to The Tennessee Theatre for a period of years, after which time the assets pass to your heirs, usually your grandchildren, at a reduced estate tax cost. By substantially reducing estate and other transfer taxes, this arrangement allows you to preserve a larger portion of your estate for your beneficiaries.

RETIREMENT PLANS

IRAs, 401(k)s, 403(b)s, Keoghs, and other retirement plan assets make up an increasingly large part of many estates. When left to your heirs, these assets can be subject to income, estate, and other transfer taxes. Naming The Tennessee Theatre as a beneficiary, or contingent beneficiary of all, or a percentage of, your plan assets may reduce or eliminate both income and estate taxes. (Note that designating a specific dollar amount, rather than a specified percentage, will result in the inclusion of these funds in your gross estate for tax purposes.)

To designate the Tennessee Theatre as the beneficiary of some, or all of your retirement plan funds, please use the following language on the retirement plan forms:

“To The Tennessee Theatre, a non-profit (Tax ID #62-1651302), with a principal business address of 604 S. Gay Street, Knoxville, TN 37902, for its general purposes” – OR – “to support _____ [e.g., J. Allen Smith Fund, KH Preservation Fund, etc.]”

Retirement plan assets can also be placed in a testamentary charitable remainder trust to provide income to your heirs for life, or a specified term of years, with the remainder interest passing to The Tennessee Theatre.

LIFE INSURANCE

Life insurance is another asset that many people utilize to support a favorite charity, especially when a policy no longer serves its original purpose. Such gifts often provide certain tax benefits as well. To designate The Tennessee Theatre as the primary or contingent beneficiary of some, or all of your life insurance policy, you can use the same language that is suggested for use in designating retirement plan assets (see above).

MEMORIAL GIFTS

Many individuals request that survivors send charitable gifts in lieu of flowers. We request that you ask people to send such memorial gifts to “The Tennessee Theatre” c/o The Tennessee Theatre, 604 S. Gay Street, Knoxville, TN 37902. Please ask them to indicate who is being honored, as well as who should be notified of the memorial gift (e.g., surviving spouse, parent, or child).

THE TENNESSEE THEATRE’S CENTURY CIRCLE

Some people name The Tennessee Theatre in their estate plan and never let us acknowledge their invaluable support. If you complete your estate plan and include The Tennessee Theatre, we hope you will share this information with us. We feel strongly about expressing our gratitude, and we will be honored to consider you as a member of The Tennessee Theatre’s Century Circle. The Century Circle is named in part to celebrate the coming 100th anniversary of the Tennessee Theatre in 2028. Planned gifts will help guarantee that the Tennessee Theatre will be preserved and thrive as a performing arts and entertainment venue well into its second century.

FOR MORE INFORMATION

We are happy to discuss these and other options with you. Call Executive Director Becky Hancock at 865-684-1200 x 145. To find out more about planned giving options, we strongly recommend that you consult your attorney, and your tax or financial advisors. You can also ask your attorney or financial advisor to contact us. Each inquiry is handled confidentially and places you under no obligation.