



# ENDOWMENTS

By establishing an endowment with the Louisiana Baptist Foundation, you can ensure financial support to your church, ministry, or other special causes during your life and beyond.

## Why Establish an Endowment?

–**Perpetual Impact:** Endowment funds are managed and invested to generate continuous income. Typically, the endowment agreement will provide that only the income generated can be distributed for charitable purposes as stated by the donor. This allows the endowment fund to be preserved yet continue to make an impact well into the future.

–**Long-Term Growth:** While most of the income generated in the endowment fund is distributed for charitable purposes, a portion of the income is retained by the fund. This allows the endowment to grow long-term and make an even greater impact.

–**Tax Savings:** Gifts to an endowment qualify as a charitable deduction for income tax purposes. Donating appreciated assets to the endowment can avoid capital gains tax. The endowment can also be used to reduce potential estate tax liability.

## Giving to an Endowment

–**Cash Gifts:** Cash oftentimes is the simplest way to establish an endowment. However, gifts of other assets may provide greater tax benefits.

–**Non-Cash Gifts:** Gifts of non-cash assets (real estate, stocks, bonds, etc.) are a great way to establish an endowment and can avoid capital gains tax.

–**Estate Gifts:** In addition to giving to an endowment now, you can give to the endowment upon your death. This can be accomplished with a charitable bequest or beneficiary designation.



“Command them to do good, to be rich in good deeds, and to be generous and willing to share. In this way they will lay up treasure for themselves as a firm foundation for the coming age, so that they may take hold of the life that is truly life.”

1 Timothy 6:18-19

“Too often we assume that God has increased our income to increase our standard of living, when his stated purpose is to increase our standard of giving.”

Randy Alcorn,  
Evangelical Christian Author



LOUISIANA  
BAPTIST  
FOUNDATION

The Louisiana Baptist Foundation has been assisting donors with endowments and other charitable giving options since 1944. Please contact us to learn how your gift can be used for *Advancing the Kingdom*.



This information is ***not*** to be substituted for legal advice. Consult a knowledgeable legal professional to assist you with your estate planning needs.

## HOW ENDOWMENTS WORK

- **Donor establishes an endowment agreement with Louisiana Baptist Foundation.**
- **Donor irrevocably contributes cash, real estate, or marketable securities to the endowment. Gift qualifies as an income tax deduction in the year the contribution is made.**
- **Assets are converted to cash (if necessary) and invested by the Foundation.**
- **A portion of the net income is distributed at least annually in accordance with the Foundation's distribution policy to the charitable organization named in the endowment agreement.**
- **A portion of the net income is reinvested by the Foundation to grow the endowment over time.**
- **The Donor, as well as others, can contribute additional gifts to the endowment to accelerate its expansion and impact.**
- **The Foundation continues to manage and invest the endowment, resulting in an ongoing and increasing impact on the charitable organization.**
- **The charitable organization has a permanent income stream it can rely upon to help fulfill its purpose.**

## LEAVE A LASTING LEGACY WITH AN ENDOWMENT

 [LBInfo.org](http://LBInfo.org) • 877-523-4636 • [contact@LBInfo.org](mailto:contact@LBInfo.org)

ADVANCING THE KINGDOM...

*One dollar at a time. One ministry at a time. One life at a time.*