



Legacy Giving to St Edmund Hall

1. UK Donors

a. **Background**

The College has charitable status as an exempt charity under the Second Schedule to the Charities Act 1993. Our registered charity number is 1137470. Gifts to the College are therefore exempt from Inheritance Tax and Capital Gains Tax. A gift from you can reduce the amount of any tax payable out of your estate.

The College has the formal title of 'The Principal, Fellows and Scholars of St Edmund Hall in the University of Oxford' and should be so designated in wills and other documents. Those considering making a gift to a College should contact the Development and Alumni Relations Office.

b. **Suggested Wording**

For a Residuary Gift: 'I give the whole (or a share: e.g. one half; one third) of the residue of my estate to The Principal, Fellows and Scholars of St Edmund Hall in the University of Oxford'.

For a Cash Gift: 'I give the sum of £ (in figures and words) to The Principal, Fellows and Scholars of St Edmund Hall in the University of Oxford'.

In both cases, there should also be a declaration that 'The receipt of the Principal or other duly authorised officer shall be a full and sufficient discharge to my Executors'.

2. US Donors

a. **Suggested Wording**

For a Residuary Bequest: 'All (or %) of the rest, residue and remainder of my estate which I may own or be entitled to at the time of my death, I give, devise and bequeath to Americans for Oxford for the benefit of The Principal, Fellows and Scholars of St Edmund Hall in the University of Oxford exclusively for its charitable and educational purposes'.

For an Outright Bequest: 'I give and bequeath to Americans for Oxford for the benefit of The Principal, Fellows and Scholars of St Edmund Hall in the University of Oxford the sum of (X) dollars exclusively for its charitable and educational purposes'.

b. **Planned Giving**

There are also ways to make gifts through estates that enable donors to benefit from their donations during their lifetimes. Such planned gifts can provide donors or beneficiaries with an income or, in the case of a residence, the right to live there for life.

i. Permanent Charitable Rollover

1. In December 2015, President Obama signed into law the Protecting Americans from Tax Hikes Act of 2015, a key feature of which was making permanent the Individual Retirement Account (IRA) Charitable Rollover provision.
2. Donors who are 70½ or older are now eligible to transfer up to \$100,000 annually from their IRAs directly to qualified charities such as Americans for Oxford (AFO), without having to pay income tax on the money.

3. The point is that historically, such withdrawals from IRAs have been taxed, and while Charitable Rollover has been available for the past several years, it has only been extended on an annual basis – making donors’ longer-term planning difficult. Now that it is permanent, donors have a clearer idea of their future tax position.

ii. Charitable Gift Annuity

1. Charitable Gift Annuities (CGAs) are a significant area of concentration for AFO, but are not yet available for giving to Oxford – since they require AFO to be licensed in each state where a donor lives. However, CGAs are gaining in popularity among family tax attorneys, and might start to be implemented by AFO.
2. A CGA is a planned giving vehicle, which involves a contract between a donor and a charity, whereby the donor transfers cash or property to the charity in exchange for a partial tax deduction and a lifetime annual income stream from the charity. When the donor dies, the charity keeps the gift. It appears that if and when CGAs are in place for donations to Oxford, AFO would be the recipient charity – as a 501(c)(3) corporation.
3. The interest rate payable to the donor is mandated by the American Council on Gift Annuities, in a very specific range according to the age of the donor. The matter is complicated, but it appears that the rate is currently 4.0% for a 55-year old, rising to 9.0% for a 90-year old donor.
4. However, it is difficult to see how the College could make a positive return from investing such a gift, even at the lowest end of this rate range; in addition, the logistics of operating a CGA are not yet clear, particularly as to whether colleges or AFO would make the payments, and how the transfers would be made.

3. Global Donors

a. **Background**

A gift from a Will to the College may reduce the amount of tax payable from the donor’s estate. This varies from country to country so donors should seek advice from solicitors or financial advisors.

b. **Suggested Wording**

For a Residuary Gift: ‘I give the whole (or a share: e.g. one half; one third) of the residue of my estate to The Principal, Fellows and Scholars of St Edmund Hall in the University of Oxford’.

For a Cash Gift: ‘I give the sum of £ (in figures and words) to The Principal, Fellows and Scholars of St Edmund Hall in the University of Oxford’.

There should also be a declaration that ‘The receipt of the Principal or other duly authorised officer shall be a full and sufficient discharge to my Executors’.