



CHURCH ON THE HILL

Church Membership Matters

A 501 (c)(3) organization

CHARITABLE GIVING



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THE TITHE

What is the Tithe?

The Tithe is the giving of **10%** of your income to the Lord.

Where does this idea come from?

The Tithe is clearly called for in Holy Scripture. *See* Leviticus 27:30-33
Deuteronomy 12:1 0-11

Is the Tithe just to the Church?

No. The Tithe is to the Lord. *See* Leviticus 27:30-33

Does this mean that gifts I make to others' needs count as a portion of my Tithe?

No. This would be an Offering. After you pay your 10% Tithe, then the Lord expects that every Believer give an Offering!

Overall, there are four types of Giving:

- Your **Tithe** to the church
- **Offering** to the work of the Lord
- **Gifts** to the poor
- Donating your **Time** to the work of the Lord

How can I Tithe?

Upon receipt of income, set aside **10%** of that income. Use that “set aside” to support the church where you are a full member.

What are the “first fruits?”

Not only are we called to give **10%** of our Resources to the Lord, we are called to give the “first fruits” (or the best of our Resources).

See Nehemiah 10:35-39

Malachi 3:10

THE WILL

A Will is a written document signed and witnessed, that indicates how your property will be disposed at the time of your death. It is revocable and can be amended at any time during your lifetime.

A Will that contains a **trust** can provide after-death property management and be used for estate planning. It lists how you would like your estate and affairs handled upon your death.

Probate is the process by which a Will is validated. The Executor of the Will, usually a person named in the Will, is responsible for managing the affairs of the estate as it progresses through probate. The court will oversee your estate, payment for your outstanding obligations, and distribution of your assets according to the terms of your Will. This process usually involves the Executor having to hire an attorney and can take months to several years to complete.

LIVING TRUST

A Living Trust is a document that details how you would like your estate handled after your death. However, a Living Trust does not require your heirs to go through the probate process.

The trustee of the trust, usually the person or company identified in the trust to handle the affairs of the trust, is responsible for managing the trust estate until the trust terminates pursuant to the terms of the Living Trust. The terms of the Living Trust usually describe how one's assets are to be distributed.

Further, this distribution can occur over many years if you so desire, thereby allowing you to retain a measure of control over your assets even after your death. You can also place other restrictions over your assets which can help to protect the assets from the creditors of your heirs or to ensure that your goals and objectives are met.

POWER OF ATTORNEY

The agent is authorized to act in whatever capacity the principal actually has the ability to act. A written instrument authorizing another to act as one's agent or attorney-in-fact that survives the subsequent incapacity or disability of the principal. An individual can have a financial durable power of attorney or a health care durable power of attorney, or both.

ADVANCE HEALTHCARE DIRECTIVE

A written document that tells what a person wants or does not want if he/she in the future cannot make his/her wishes known about medical treatment.

CHARITABLE REMAINDER TRUST

A charitable remainder unitrust (known as a “CRUT”) is an irrevocable trust created under the authority of Internal Revenue Code § 664 (“Code”). This special, irrevocable trust has two primary characteristics: (1) Once established, the CRUT distributes a fixed percentage of the value of its assets (on an annual or more frequent basis) to the settlor (creator of the trust); and (2) At the expiration of a specified time (usually the death of the settlor), the remaining balance of the CRUTs assets are distributed to charity. The trustee determines the fair market value of the CRUT’s assets at the time of contribution. The minimum contribution is \$100,000.

DONOR ADVISED FUND

A donor-advised fund is a private fund administered by a third party and created for the purpose of managing charitable donations on behalf of an organization, family, or individual.

- Donor-advised funds are private funds for philanthropy.
- Donor-advised funds aggregate contributions from multiple donors. Contributions must be a minimum of \$5,000.
- They offer a federal income tax deduction of up to 50% of adjusted gross income for cash contributions, and up to 30% of adjusted gross income for the appreciated securities they donate.
- When donors transfer assets such as limited partnership interests to donor-advised funds, they can avoid capital gains taxes and receive immediate fair-market-value tax deductions. According to the National Philanthropic Trust, donor-advised funds have become an increasingly efficient method for donating to causes.