

# Charitable Remainder Trust (CRT)

A charitable remainder trust (CRT) offers a meaningful way to make a lasting impact by providing you or your loved ones with income, while ensuring that the remainder of the trust benefits the nonprofit organizations you care about most.

## This type of fund is ideal for people who:

- Want to diversify investments without paying capital gains taxes.
- Want to convert appreciated assets into income, while avoiding capital gains taxes.



## Overview

A charitable remainder trust allows you or your designated beneficiaries to receive regular income from an asset. The benefit of this trust is that, at the end of the trust's term, any remaining assets are directed to one or more nonprofits of your choice, including a fund at the Vermont Community Foundation.

You have flexibility in choosing how the income is distributed. You can opt for a fixed income for your lifetime or for a set number of years, or for a variable income that changes annually with the value of the trust's investments. At the end of the trust term, the remaining assets are gifted to the Vermont Community Foundation, where they can continue supporting causes close to your heart.

## Why Choose a Charitable Remainder Trust?

### Professional Trust Management

The Vermont Community Foundation offers experienced, compassionate guidance in managing your trust and its assets.

### Tax Benefits

You can take advantage of tax-favored income, including a charitable deduction for the remainder value of the trust.

### Diversification Without the Tax Burden

CRTs allow you to diversify investments and convert appreciated assets without incurring capital gains taxes.

# How a Charitable Remainder Trust Works:

01

## Consult with Us

You'll begin by connecting with one of our philanthropic advisors to discuss your charitable goals and interests. We'll help you tailor a plan that fits your vision.

02

## Create the Trust

Together with your attorney, we'll work to establish a qualified trust document that meets your needs.

03

## Fund the Trust

You transfer assets to a trustee, often the Vermont Community Foundation, to oversee the trust.

04

## Receive Tax Benefits

When you set up the CRT, you can claim an immediate charitable deduction for the portion of the gift that will benefit nonprofits.

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## Ongoing Income and Impact

The trustee makes regular income payments to you, or the beneficiary you designate.

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## Support What Matters

After the trust term ends, any remaining assets are distributed to your chosen nonprofit fund at the Vermont Community Foundation, ensuring that your legacy supports meaningful causes for years to come.