Charitable remainder unitrusts

With a charitable remainder unitrust, your gift of cash, stock, or real estate or other property can earn you tax benefits, an income stream for life or a term of years, and provide needed future support for an area at Virginia Commonwealth University that is important to you.

How it works

Transfer cash, securities or other appreciated property into a charitable trust. Create your charitable trust with the help of your legal adviser.

The trust makes payments to you or your named beneficiaries. These payments are a percentage of the value of the trust’s principal, which is revalued annually.

The remaining balance passes to the university when the trust terminates. Your support ensures that the university will continue changing lives for years to come.

How you benefit

Obtain a tax-advantaged stream of income. You or your beneficiaries will receive payments for life or for a term of up to 20 years. The income from a unitrust can grow over time, providing you with a potential hedge against inflation.

Avoid taxes and earn a deduction. You pay no upfront capital gains tax on appreciated assets used to fund the trust and receive an immediate income tax deduction for a portion of your gift. Assets grow tax-free inside the trust.

Make additional gifts to the trust as your circumstances allow. This allows you to increase your income and potential tax benefits.

Next steps

Request information. Contact the VCU Office of Planned Giving to begin a confidential conversation about your gift. We are happy to provide you with a personalized gift illustration.

Consult with your financial and legal adviser. Charitable trusts are highly customizable. You and your advisers are best positioned to determine the most advantageous structure and funding assets to use for your trust.

Establish your plans. Work with your advisers to create and fund your trust. To include VCU as beneficiary of your trust use the legal name, tax ID and address of your preferred VCU-affiliated foundation* (see back). Share a copy of the provision that relates to VCU with the VCU Office of Planned Giving.

Planning tips

- Payments are a fixed percentage of the annual fair market value of the trust assets and will vary from year to year, reflecting increases or decreases in the value of the trust assets.
- Unitrust payout rates are set when the trust is created. Many donors choose a 5% rate to allow trust assets to grow more quickly to help preserve their purchasing power over time.
- A flip provision allows you to defer payments until a later date. This option allows you to receive a current income tax deduction, enjoy tax-free growth on trust assets, and diversify your retirement income sources. A flip unitrust also allows you to fund a unitrust with an illiquid asset, such as real estate or artwork, and then defer receiving income until after the asset is sold.
- Other charitable trust options include charitable remainder annuity trusts and charitable lead trusts.
Legacy societies

The Heritage Society on the Monroe Park Campus, the Medical College of Virginia Society on the MCV Campus and the Lawrence Society at VCU Massey Cancer Center recognize individuals who have made planned gifts for the benefit of the university and health system.

If you have included the university in your estate plan or made a planned gift that will benefit VCU, please let us know so that we may recognize your generosity and count you among those forward-thinking donors who are legacy society members at VCU.

Planned giving: transformative, long-lasting, flexible

Your giving to VCU provides critical operating funds for student aid, research and more. Every gift makes a real difference for all who learn, work and heal at VCU. Can we count on your lasting support to help us change lives?

You can use one or more methods of planned giving to provide the flexibility you need. The Office of Planned Giving looks forward to working with you to help structure a gift that supports VCU in a way that meets your goals.

More information

Contact Ann Deppman, assistant vice president of gift planning, at (804) 828-7370 or deppmana@vcu.edu.

Affiliated foundations*

MCV Foundation (tax ID #54-6053660) for gifts that support the college, schools, departments and units on VCU’s health sciences campus: College of Health Professions, School of Dentistry, School of Medicine, School of Nursing, School of Pharmacy, Massey Cancer Center and VCU Health.

VCU Foundation (tax ID # 54-0757884) for gifts that support VCU generally and most colleges, schools, departments and units on VCU’s Monroe Park Campus: VCU Athletics, College of Humanities and Sciences, Division of Student Affairs, Honors College, Institute for Contemporary Art, L. Douglas Wilder School of Government and Public Affairs, Richard T. Robertson School of Media and Culture, School of the Arts, School of Education, School of Social Work, School of World Studies, VCU Libraries and VCU Life Sciences.

VCU School of Business Foundation (tax ID #20-2661802) for gifts that support the VCU School of Business and Brandcenter.

VCU College of Engineering Foundation (tax ID #54-1808901) for gifts that support the VCU College of Engineering.

Mailing address for all foundations

Virginia Commonwealth University
Gifts and Records Management
Box 843042
Richmond, VA 23284-3042

The information provided herein is not intended as legal or tax advice. For such advice, please consult an attorney or tax adviser.