




# Health Healing Hope

Legacy and Estate Charitable Planning  
with Banner Health



“The true meaning of life is to plant trees under whose shade you do not expect to sit.”

– Nelson Henderson

Through planned giving, your personal financial goals are documented in a well-conceived estate plan that includes a gift to a charitable institution like Banner Health Foundation or Banner Alzheimer's Foundation. Planned giving offers personal income and tax benefits while enhancing patient care across Arizona.

Legacy gifts are a powerful tool for individuals and families wishing to invest in the future of Arizona health care through Banner Health. Established in 1999 from the merger of Samaritan Health System and Lutheran Health Systems, nonprofit Banner Health is recognized as a top health system in the country for the clinical quality consistently provided to patients in our medical facilities.

At Banner Health, we believe in a shared responsibility to improve the health and well-being of our community. Our promise to improve lives through better health care is made possible by the unwavering support and commitment of our employees, physician partners, thousands of volunteers and many valued donors who so generously give of their time, talent and treasure.

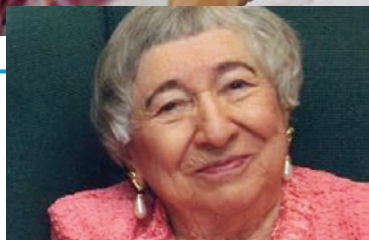
Contributions to Banner Health Foundation and Banner Alzheimer's Foundation are invested locally to support patient care programs and services across Arizona. Many of Banner Health's programs and services—from groundbreaking scientific research and clinical trials to medical education, integrative care, music therapy and family support services—are sustained largely by philanthropy.

# Planning Your Legacy

An important first step in planning your charitable legacy is deciding how and where to direct your gifts in order to achieve the results you envision.

Gifts to Banner Health Foundation can be unrestricted, allowing Banner to apply them where the need is greatest. Or, restricted contributions may be made to a specific program or service, such as to purchase new equipment, build or expand a facility, fund patient services or support clinical research. If you are leaning toward a particular use for your gift but are unsure about the specifics, our staff can help you identify potential opportunities that suit your interests and work with you and your advising team to develop your plan. As you begin to define your charitable goals, consider the following questions:

1. What issues or needs in health care interest or concern you most?
2. What kinds of programs or organizations have you supported in the past?
3. Which previous gifts have brought you the greatest fulfillment, and why?
4. Do you like funding capital projects such as new hospital wings, areas for patients and caregivers, or innovative health information technology?
5. Do you want to expand outpatient services, enhance community health education and prevention initiatives, increase access to health care, or improve a disease-specific area of care?
6. Do you want to invest in medical education and research, including clinical trials, giving patients access to leading-edge therapies and the chance to benefit from the most recent discoveries?
7. Do you want to be memorialized with a naming opportunity associated with the facility or program you support?
8. Do you want to create a flexible fund to support changing health care needs over time?
9. Do you want your gift to be fully accessible, or endowed for permanence and growth?



**Norma Mercer** was born in 1913 and grew up in Montana. A former teacher, she and her husband Don planned to retire in Texas until a visit to Mesa along the route changed her mind. A Mesa resident still today, Norma has always had a special place in

her heart for the health care facilities in her community, believing everyone deserves good medical care close to home. Nearly 40 years ago, Norma made charitable gifts that helped build the only hospital serving the far East Valley, now known as Banner Baywood Medical Center. Norma volunteered at the hospital for many years and helped develop philanthropic support for its programs and services. Today, emergency services are provided by the Norma E. Mercer Emergency Department at Banner Baywood. In 2007, Norma received the hospital's first lifetime achievement award for exemplifying the values of compassion, integrity, emphasis on people, community partnership and excellence. The annual award now bears her name. Norma has pledged an estate gift to continue supporting Banner Baywood after her lifetime.

# Making Your Gift

When you plan an estate gift to Banner Health Foundation or Banner Alzheimer's Foundation, you're leaving a strong health care legacy for future generations.

The following are the most common assets given to charity upon a donor's passing:

**Cash:** A gift of cash is the simplest way to leave a legacy. Simply name Banner Health Foundation or Banner Alzheimer's Foundation to receive all or a percentage of your estate in your will or trust.

**Stocks and Bonds:** Advantages of donating appreciated securities, including stocks or bonds, include avoidance of capital gains tax on the sale of appreciated stock and a charitable income tax deduction for your estate.

**Real Property:** Donating appreciated real estate such as a home, vacation property, a ranch, undeveloped land or commercial property brings value in charitable planning. You may avoid paying capital gains tax on the sale of the real estate while receiving a charitable income tax deduction based on the property's value.

**Retirement Assets:** Double taxation reduces the value of your retirement accounts when passed to heirs or non-charitable beneficiaries. Instead, consider donating all or part of the unused retirement assets in your IRA, 401(k), 403(b), pension or other tax-deferred plan to Banner Health Foundation or Banner Alzheimer's Foundation. As the beneficiary of these assets, the Foundation benefits from the full value of your gift, as your IRA assets are not taxed at your death. And, your estate will benefit from a charitable gift deduction.

**Life Insurance:** If you have a life insurance policy that has outlasted its original purpose (for example, a policy purchased to provide for minor children who are now financially independent adults), consider gifting the policy to Banner Health Foundation or Banner Alzheimer's Foundation. Upon your passing, your estate receives a charitable deduction and the death benefit passes to the Foundation tax-free. Several options exist for gifting a life insurance policy:

- Transferring ownership rights of a paid-up policy to Banner Health Foundation qualifies you for a current income tax deduction equal to the lesser of your basis in the policy or the policy value
- Transferring an existing premium-due policy or a new policy to Banner Health Foundation affords you a tax-deduction for each gift made to Banner Health Foundation to pay the annual premiums



**Angie Rafferty's** life was touched by several Banner Health facilities. She worked as a night telephone operator at Banner Baywood Medical Center beginning in the early 2000s. She was treated at Banner Gateway Medical Center for a brain tumor,

which eventually took her life. In her will, Angie bequeathed all money from the sale of her possessions, including her home and her extensive doll collection, to help children with cancer. One of her chosen beneficiaries was the pediatric hematology/oncology department at Cardon Children's Medical Center, where today a plaque commemorates her legacy and her giving spirit.

# Building Your Plan



**John Hardison** is a prostate cancer patient who began his treatment at MD Anderson in Houston. After seeing a commercial for Banner MD Anderson Cancer Center, he moved his care to Arizona. John plans to donate virtually all of his assets to prostate cancer

research, with Banner MD Anderson among the selected beneficiaries. About his planned gift, John says “Life has been incredibly good to me. I want to do something to help stop the disease for people who follow me—and I know that Banner MD Anderson is doing good work.” John says his philosophy has always been that “the getting is in the giving.”

Planned giving allows you to make a larger gift than may be possible during your lifetime—and some gift instruments even provide you with income for life.

Sophisticated, tax-advantaged vehicles help you develop and execute your charitable plan according to your goals. Common arrangements include:

**Bequest:** This is the simplest way to direct all or a portion of your estate to a charity such as Banner Health Foundation using a basic clause in your will or trust:

I, ..... (name), give ..... (e.g., dollar amount, specific property, residuary estate, entire estate) to Banner Health Foundation, Federal Tax ID 94-2545356 or Banner Alzheimer’s Foundation Tax ID 20-4862361, an Arizona nonprofit corporation.

**Charitable Gift Annuity:** A charitable gift annuity is a contract between you and Banner Health Foundation. In exchange for your charitable gift, you or a loved one receives income in the form of set payments for life. The annuity payment rate correlates with the annuitant’s age at the time the gift is made.

**Charitable Trusts:** Charitable trusts are an ideal way to convert highly appreciated assets (such as real estate or stocks) into a lifetime income without having to pay capital gains or estate taxes, while at the same time providing a meaningful benefit to a charity such as Banner Health Foundation.

**Charitable Remainder Trust:** You and/or a loved one receive payments during your lifetime or for a period up to 20 years, with the remainder passing to Banner Health Foundation upon your death. There are two types of remainder trust:

- A charitable remainder annuity trust provides the security of a fixed annual payment
- A charitable remainder unitrust provides a variable income payment based on an annual valuation of the trust’s underlying assets. With a well-managed unitrust, assets can build quickly because they grow tax-free, leading to higher income — and a good hedge against inflation as the value of the trust rises

**Charitable Lead Trust:** The trust makes payments—either variable or fixed—to a charity during your lifetime, with the remainder of the assets going to your heirs upon your passing. Charitable Lead Trusts allow you to exclude assets and their subsequent appreciation from your taxable estate while ensuring Banner Health Foundation benefits from your support.

Through careful planning with qualified advisors, our staff helps donors determine the charitable trust or other planned giving options that are right for them.



# Partners in Planning

**We are happy to join you, your family and your advising team to help shape your charitable legacy as part of your estate plan. Please be in touch with us:**

**Phone:** (602) 747-GIVE (4483)

**Email:** [foundationinfo@bannerhealth.com](mailto:foundationinfo@bannerhealth.com)

**Web:** Visit our planned giving website for a wills guide, planning resources, calculators and relevant news, at [www.bhfgift.org](http://www.bhfgift.org)

## **About Banner Health**

Headquartered in Phoenix and operating in six states, Banner Health owns and operates 29 hospitals, including three academic medical centers, urgent care centers, outpatient surgery centers, family clinics, home care and hospice, pharmacies and a nursing registry.

Banner Health hospitals consistently rank in the top of *U.S. News and World Report's* Best Hospitals, Metro Phoenix. Banner was named one of the top 5 large health systems by Truven Analytics, a leading provider of health care information. For our patients, this means better long-term outcomes, higher patient satisfaction and fewer complications. Banner is also a national leader in patient safety and innovation, achieving the highest use of electronic medical records and providing technology to monitor patients.

As a nonprofit health care system, Banner ensures that our community has access to high quality health care—regardless of a patient's background or financial standing. On average, Banner Health provides more than \$100 million in charity care and upwards of \$500 million in community benefits and unpaid Medicare costs annually.

At all stages in life, you can rest assured that Banner will meet your health and medical needs through compassionate professionals and outstanding service.

“The meaning of life  
is to find your gift.  
The purpose of life  
is to give it away.”

– Pablo Picasso

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ATTORNEYS



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