



## NET INCOME CHARITABLE

## REMINDER UNITRUST

### What is a NI-CRUT?

A net income charitable remainder trust (NI-CRUT) is a form of a trust ideal for real estate either income or non-income producing. The donor can reserve the right to live in their home for life or a specified period of time. Upon the end of the specified time period or death, the trust will terminate, the real estate is sold and the proceeds are distributed to the desired charity.

### Potential Benefits

- Donor qualifies for an immediate federal income Tax deductible on contribution
- Benefits Donor's favorite charity
- The donor has peace of mind that they will remain in the place they call home.

### Planning Considerations

- Transfers to a NI-CRUT are irrevocable
- When NI-CRUT terminates, the assets pass to charity, not back to the family

#### How it works:



Donor transfers the title of home to a NI-CRUT, but reserves the right to reside in the house for life or a specified period of time.



Donor appoints a bank, attorney, or other individual as trustee of the NI-CRUT.



Since the real estate donation does not produce net income, no disbursements are made to the donor or charity until the trust terminates.

Upon the death of the donor, or a specified period of time, the Trustee sells the house. Proceeds from the sale, minus real estate commission and other sales costs are distributed to Beloved Charity, under the terms of the trust.

