

# Your Catholic Legacy



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## Giving Like the Saints

### The Curious Story of Mrs. Little\*

"I want to be buried in an unmarked grave so that after I'm dead no one can bother me," Mrs. Monica Little told Catholic Cemeteries before her death on October 14, 1935.

Mrs. Little was a very wealthy widow. Her husband—Mr. Benedict Little—had made a fortune selling a grand opera house they owned in downtown Toronto. It was sold for \$1,750,000 which is remarkable considering that you could buy a steak in those days for 30 cents and car fares were a nickel.

Shortly after the sale, Mr. Benedict Little went out for a walk to run some errands. He never returned and his body was never found.

Mrs. Little was heartbroken. She devoted the remainder of her life to charity work. She gave the Sisters of Service her home to become the site of their new novitiate. She was also generous with gifts to beautify parishes in the Archdiocese. Mrs. Little is considered one of the great benefactors of the Catholic Church in Toronto.

Mrs. Little pre-planned with Catholic Cemeteries to be buried in an unmarked grave. She had grown tired of the celebrity of her wealth. And while Mrs. Little grew tired of the fake smiles, she did not grow tired of the Lord.

All that marks Mrs. Little's final resting place today is a stick with an orange piece of tape on it. She is in a cemetery that, like her gravesite, is hidden from

view—surrounded by a city that has grown around it. Only a handful of Catholic Cemetery employees know Mrs. Little's story. Fewer still know her final resting place.

### A little girl leaves her mark

Fr. Joseph Tran was in the Sacristy preparing to celebrate Mass at St. Cecilia's when a seven year old girl came up to him, "I have something for you Father," she said.

Father Joseph took from her outstretched hand a leaf that had fallen off a tree. "Thank you," Fr. Joseph replied.

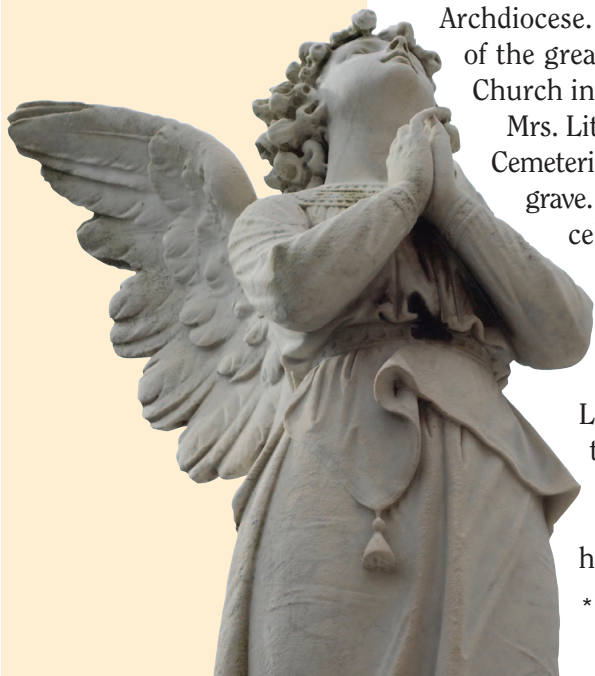
Nothing about the leaf was remarkable. It was fall and the streets of Toronto were littered with leaves, all of them waiting to be swept away. The leaf wasn't even particularly beautiful.

A parishioner later noticed that after Mass Fr. Joseph returned to the Rectory carrying the leaf the little girl had given him. What inspired Fr. Joseph to keep the leaf? What can this reveal about the gifts we make to God?

What matters most to God in our giving is not the amount, but what lies hidden in our hearts when we make the gift.

*If you would like to speak to someone about how to make a gift of faith to your parish or favourite Archdiocesan charity, please contact the Development Office of the Archdiocese of Toronto. Whether you want to remain anonymous like Mrs. Little or be like the little girl by inspiring others to follow your example with your gift, we can help. All calls are confidential.*

\* Mrs. Monica Little's name has been changed to respect her original request for anonymity.



# Giftting RRSPs/RRIFs and Taxes

After a lifetime of diligent saving and investing, many Catholics find themselves in the fortunate position of being able to support charitable endeavours within the Church that they deem most worthy. Supporting charities is a distinguishing trait of Canadians among global economies, and we are ever-ready to lend a helping hand when there is need.

The methods by which parishioners can support their parish or favourite Archdiocesan charity have broadened over the past few years, and we now have the opportunity to be even more generous while receiving more tax incentive than ever before. One of more popular strategies is the designation of a charity as the beneficiary of a Registered Retirement Savings Plans (RRSP) or Registered Retirement Income Funds (RRIF). This allows donors to receive income during their retirement in a tax-efficient manner, and then pass on the remainder of their retirement accounts to their favourite charity.

If an individual designates the Church as the beneficiary of their RRSP or RRIF, there are a few key points to remember:

1. The proceeds from the RRSP or RRIF can flow directly to the named charity after the donor passes away, avoiding the delay of probate and the cost of executor fees. Many banks or brokerages will not withhold taxes at source, so the entire amount of the RRSP or RRIF will be donated.

2. The funds which flow from the RRSP or RRIF to the charity will still be reported as income to the donor in the year they pass away, and there will be taxes owing. The estate will be able to claim the charitable donation on the final tax return, which will offset the tax liability. The example below illustrates this in more detail.
3. The donated amount can result in a tax credit of up to 100% of your net income in the year you pass away. This means that designating an RRSP or RRIF to charity will result in zero tax liability in most cases.

To illustrate these key points, take the example of Andrew, who has designated his parish in North York as the beneficiary of his RRIF. His RRIF is comprised of stocks and bonds valued at \$100,000 at the time of death. This means that if Andrew is in the top tax bracket, he will have taxes payable of \$46,400. The donation will allow his estate to claim a tax credit of \$46,400. Thus, Andrew's parish receives the benefit of his donation, and Andrew's family and estate do not incur any tax payable because of his generosity.

Proper planning can ensure your charitable goals are met and that you receive the benefit of tax incentives that reward your generosity.

*The Development Office has received calls from parishioners asking questions about gifting RRSP's and taxes. This article is in response to those questions. A special thank you to*

*Mr. Gerson D'Souza, CIM, an Investment Advisor with TD Waterhouse, for supplying the article. If you have any questions about the article, Gerson can be reached at 416-982-8333 or toll free 1-888-576-4447 or email him at: [gerson.dsouza@td.com](mailto:gerson.dsouza@td.com)*



# Using Securities for Your Church Giving

We received the email below from a parishioner named Rudy Fernandes. Rudy makes his parish offertory, special collections and other charitable gifts to the Church using stocks and mutual funds.

Rudy normally contacts our office once a year, fills out a simple form and then informs us of all the places and amounts where he wants his gift to go. Once the Archdiocese receives the securities in our account, we immediately sell them. We then mail a cheque to Rudy's parish, his favourite Archdiocesan charities and other recipients he has designated. We also mail Rudy his tax receipt.

Rudy is happy that he does not have to pay any capital gains tax on the gift as the Canadian Government allows these types of gifts to Canadian charities. Also, there are no fees charged by the Archdiocese to do this as it is a service we provide. The only cost Rudy will have on the sale is the brokerage fee. (But he gets a tax receipt for this as well!)

If you have appreciated securities that you don't want to pay capital gains tax on, consider gifting them instead of cash. You can use securities to consolidate all your Church

giving. You can even specify if you want your parish portion to go to offertory, to a building fund or even to a capital campaign. If you are making a gift to ShareLife, we will arrange to have your parish credited with your gift and notify your Pastor. You can also direct a part of your gift to The Shepherds' Trust, St. Augustine's Seminary, St. Michael's Choir School, etc. You are free to break up your securities gift in as many ways as you like.

**If you have any questions please contact the Development Office. You can download a copy of the securities donation form and transfer instructions here:**

**[www.archtoronto.org/development/stocks.htm](http://www.archtoronto.org/development/stocks.htm)**

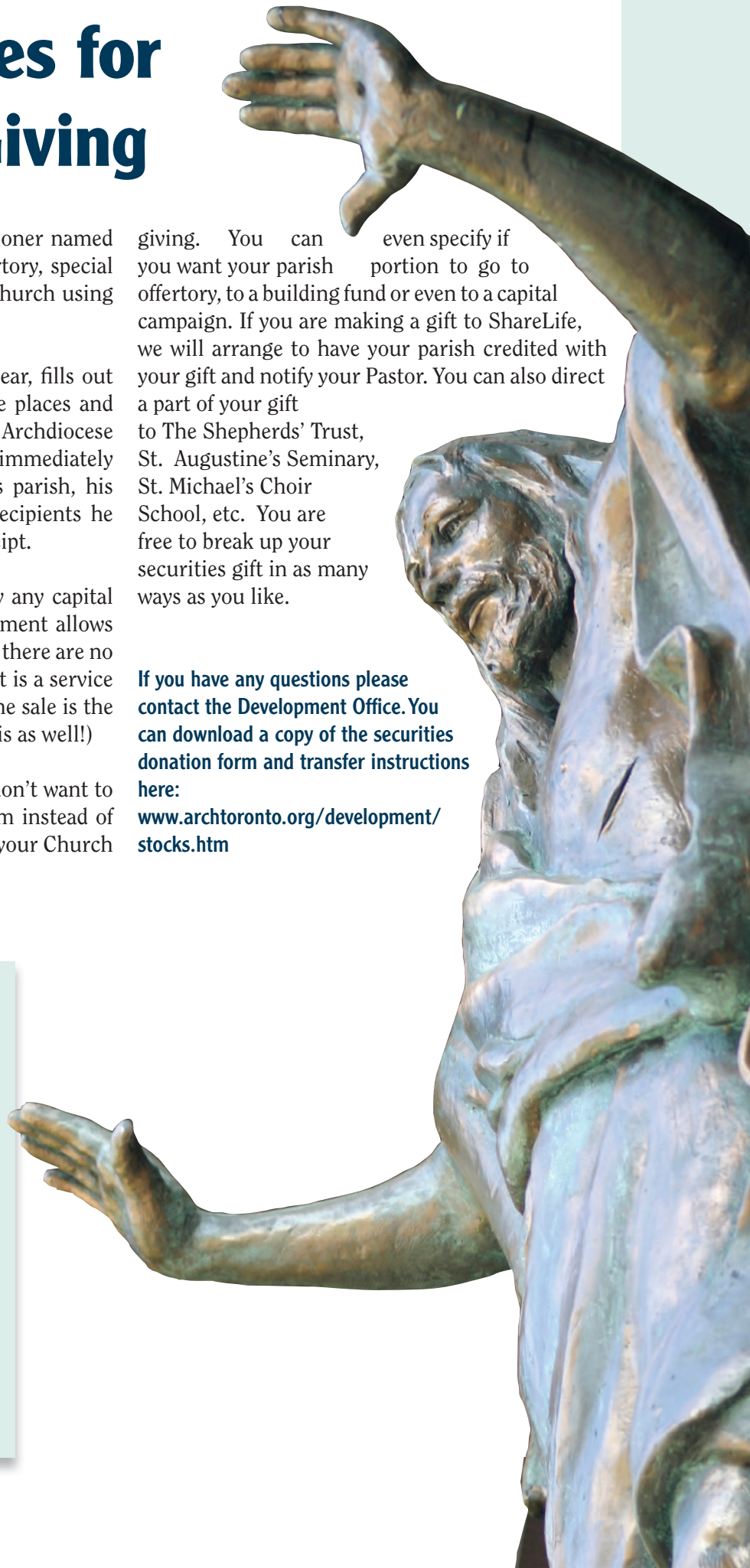
## *Here are excerpts from Rudy's email:*

"Unfortunately, most people don't know that that they can support the Church by gifting securities. They have no clue as to how to proceed and those who know feel that it is very complicated - not true!

I request that you consider helping parishioners understand the ease of lump-sum donations via stock/mutual funds - especially those that have appreciated considerably in value. Everyone wins!

Best regards and keep up your fine work,"

Rudy Fernandes



# Which Bequest Is Right For You?

From time to time parishioners contact the Development Office and ask for guidance on the different types of bequests they can make to the Church. Here are some of the most common forms:



## Specific Bequest

This type of bequest helps you to give your parish or favourite Archdiocesan charity a specific amount of money, a specific property, or a fixed percentage of your estate.

## Residual Bequest

Allows you to direct the balance (or portion) of your estate to the Church after all your other named beneficiaries have been provided for.

## Contingent Bequest

You can direct that your parish or favourite Archdiocesan charity receive all (or a portion) of your estate in the event of death of other named beneficiaries.

## Residual Bequest Subject to Life Interest

If you so choose, your parish (for example) could be the final recipient of your estate after other specified beneficiaries have had the use of your estate during their lifetimes.

Consult with your lawyer to see which type of bequest best suits your individual circumstances. If you do not have a lawyer, the Development Office maintains a list. Depending on your area, we would be pleased to supply you with three or four names from which you can choose.



## Ways You Can Help

### Types of gifts you can give

- Bequests in a Will
- Securities (stocks, mutual funds, bonds)
- Life Insurance
- Registered Retirement Funds (RRSPs, RRIFs)
- Annuities
- In-kind gifts (coin collections, art, property)

### Where can you designate your gifts?

- Your parish
- ShareLife
- The Shepherds' Trust
- St. Augustine's Seminary
- St. Michael's Choir School
- Other parts of the Church (call for details)

## Contact us

*Your Catholic Legacy*, the planned giving newsletter of the Archdiocese of Toronto, is a free publication that is produced twice a year to keep parishioners informed about issues related to estate planning and the many tax-smart and creative ways they can support their parishes and Archdiocesan charities. While all articles are researched and come from reliable sources, you should always consult an advisor before making any gift.



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