



Gifts of Life Insurance

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Gifts of life insurance are a cost-effective opportunity to transform modest premium payments into a significant gift for the benefit of The Hospital for Sick Children (SickKids). When donating a life insurance policy, the best option for you will depend whether you seek tax relief during your lifetime or for your estate.

Through a gift of life insurance, you can help us transform the future of child health.

Why SickKids

As a world leader in paediatric health, SickKids is an exceptional place offering unparalleled patient care, research discoveries, and learning opportunities that are changing the field of child health. Through our integrated program of care, research, and education, SickKids ensures more children around the world have access to the diagnoses, treatments, and cures that can help them prevent, manage, and survive critical illness.

Our gift and estate planning team offers simple, flexible, and thoughtful options that help you attain financial benefits while enhancing the impact of your gift on child health.

The Advantage of Donating Life Insurance

A gift of life insurance is a worthwhile alternative to a cash gift. Flexible choices allow you to decide how you want to give, and provide you with a substantial tax incentive for donating life insurance.

The benefits of donating life insurance include:

- Smaller current cash investment leveraged into a larger future gift
- A charitable tax receipt
- Tax savings in your lifetime or for your estate

Ways that you can donate life insurance include:

- a. Naming SickKids Foundation as the beneficiary of a life insurance policy, and your estate will receive a tax receipt for the proceeds of the policy.
- b. Taking out a new policy with SickKids Foundation named as the owner and beneficiary, and receive annual tax receipts for the premium payments.
- c. Transferring ownership of a paid-up policy, with SickKids Foundation named as the beneficiary. You will receive a tax receipt for the fair market value of the policy.
- d. Transferring ownership of a partially paid-up policy, with SickKids Foundation named as the owner and beneficiary. You continue to make premium payments, but you will receive a tax receipt for the fair market value of the policy and annual tax receipts for the ongoing premium payments.

How A Small Investment Can Lead To A Lasting Legacy*

Jose and Sophia, aged 58 and 55 respectively, hope to retire in a few years. They have three grandchildren, one of whom was a patient at SickKids.

Jose and Sophia want to make a substantial gift to the Hospital, but at this stage in their life hope to keep their existing capital base intact, as they will be retiring soon. Jose and Sophia spoke with their financial advisor and learned that they have sufficient current cash flow to establish a gift of life insurance.

There are a variety of options for the couple to choose from. Jose and Sophia decide to create a new policy naming SickKids Foundation as the owner and beneficiary, and because they select a joint last-to-die policy, their premiums will be greatly reduced.

By paying a small annual premium payment, Jose and Sophia will receive a tax receipt each year for their premium payments, which will give them a much appreciated tax break. They are happy knowing that their small investment will lead to a lasting legacy, a legacy that will improve paediatric care not only for their grandchildren, but for generations to come.

*For illustrative purposes only.

Next Steps

Making a gift of life insurance is simple:

1. Discuss with your financial advisor or insurance provider which method of donating life insurance will make the most philanthropic and financial impact.
2. Contact our gift and estate planning team and your insurance provider if you wish to transfer ownership of a policy, create a new policy, or change the policy beneficiary to The Hospital for Sick Children Foundation.

For more information about gifts of life insurance, please contact the Office of Gift & Estate Planning at 416.813.8271 or gift.planning@sickkidsfoundation.com.

