

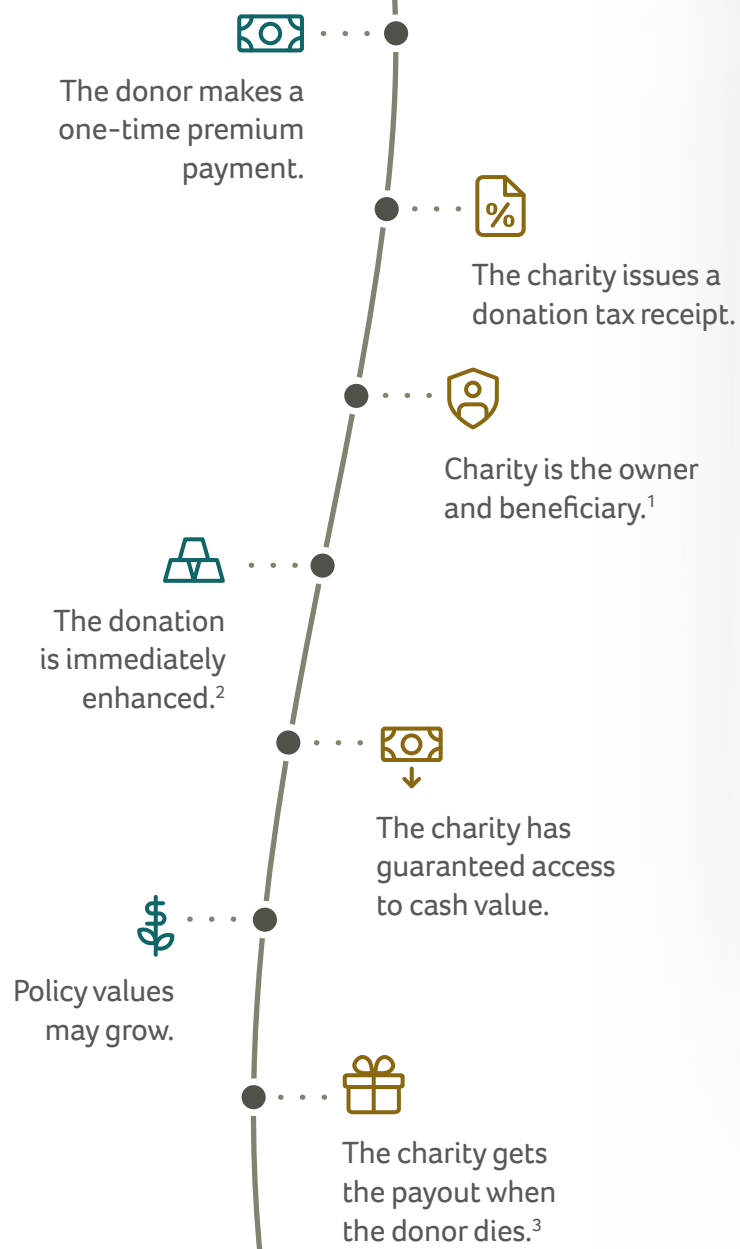
Canada Life My Par Gift

Want to make a big impact and add value to your community? Charitable giving using life insurance can help.

Canada Life My Par Gift™ is a simple, single premium, participating life insurance designed for charitable giving.



How it works



1 It is important to note that any withdrawals or unpaid loans will decrease the size of the charity's payout.
2 You are the insured person.

3 In unique cases, the initial insurance amount may be smaller than the one-time premium payment.








Case study

Donating to a donor advised fund

Olivia, 50, recently inherited her family cottage from her parents after they died and then sold it for \$1 million. The fair market value of the cottage was \$600,000.

Olivia wants to donate to more than one registered charity. Because she wants more control on how the payout on death will be distributed, her advisor recommends using Canada Life My Par Gift™ to donate to a foundation that administers donor advised funds.¹ If so, she'll receive a donation credit of 50% of the value of the gift (in this case, the insurance premium).

Olivia thinks this is a great idea and proceeds to make a \$1 million donation. The donation to the foundation initially increases the payout at death by 1.8 times by using My Par Gift.²

	Amount of gift	\$1 million
	Tax savings from donation	\$500,000 ³
	After-tax cost of donation	\$500,000
	Cash value at age 65	\$1.7 million
	Payout at death at age 90	\$7.2 million

Assuming no alternative minimum tax (AMT)

Note: Any withdrawals or unpaid loans will decrease the size of the cash value or the charity's payout at death.

¹ A donor advised fund is a registered charitable investment account for the sole purpose of supporting registered charitable organizations.

² Values based on female non-smoker age 50-, standard risk, \$1,000,000 single-premium payment, Canada Life My Par Gift, paid-up additions dividend option, using the 2023 dividend scale effective July 1, 2023. Dividends are not guaranteed. Province of residence Ontario Tax savings from donation included in the internal rate of return. Individual funding to a registered charity owned My Par Gift policy using cash valued at \$1 million Adjusted cost base of cash: \$600,000. Personal marginal tax rate on regular income: 50%, capital gains inclusion rate 50%, donation tax credit rate 50%. Assumed life expectancy 90 years.

³ This credit is available up to 75% of the donor's net income each year, and any excess donation amount can be carried forward for up to five years. Assuming that Olivia has sufficient income to maximize the donation credit today.

Donation to registered charity increased by **14 times by using My Par Gift.**

(\$500,000 after-tax cost versus \$7.2 million payout at death).

Results

- ✓ Donation offsets capital gains implications from sale of the cottage.
- ✓ If Olivia dies at 90, a \$7.2 million payout on death will be paid. If Olivia wants to support more than one charity, while she's alive she can recommend to the foundation which charities should benefit from the policy upon her death.
- ✓ Using the policy's cash value, if Olivia wants to grant funds to another registered charity while she's still alive, she can direct the donor advised fund to do so.

Make
an impact
and be part of
something great

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