Planned Giving Glossary

Annuitant: One who receives annual fixed payments from an annuity.

Annuity: A fixed sum payable annually

Appreciated Securities: Stocks and/or bonds that have increased in value since they were acquired

Beneficiary: The person named to receive the income from, or remaining assets of, a trust

Bequest: A gift through one's will

Capital Gains Tax: The tax imposed upon profits realized from the sale of financial assets that have increased in value since they were acquired

Codicil: An addition to a will that either modifies it or revokes part of it

Gift Tax: A tax imposed on someone who gives money or property to another person without compensation

Irrevocable Gift: A gift that cannot be annulled, undone, or changed

Mutual Fund: An investment company that invests the money of its shareholders in a diverse group of securities of other corporations

Present Value: The value, in today's dollars, of assets to be received at some future time

Principal: The initial sum invested or borrowed, or the remainder of that sum after payments have been made

Real Property: Immovable property; land, together with all the property on it that cannot be moved, together with any attached rights; often referred to as "real estate"

Retained Life Estate: The right to use property for life (usually a residence or a farm) after contributing the remainder interest to a charitable institution

Retirement Accounts: Qualified plans like IRAs and 401(k) accounts that permit individuals to accumulate savings tax-free for retirement

Tangible Personal Property: Includes movable objects (e.g. china, books, cars, clothes, art, etc.) but does not include land, buildings, or other forms of real estate (real property—see above), or stocks, bonds, copyrights, cash, or other "intangible" personal property

Trust Property: Property held in trust by one person (trustee) for the benefit of another (beneficiary)

Variable Income: Payments received on a regular basis that are subject to change, not fixed