

Gifts of Registered Fund Assets



Giving Registered Funds

Registered Retirement Savings Plans (RRSPs) are typically set up to supplement income after retirement. You may have just started one. But did you know that you can arrange to donate some or all of your plan assets to Humber as part of your legacy? It's an easy and low-cost alternative to leaving a gift in your will.

RRSPs and Registered Retirement Investment Funds (RRIFs) are typically transferred at an owner's death to a surviving spouse without taxation. If you are married and your spouse survives you, they would ordinarily be the beneficiary of your retirement funds. If you had an RRSP at the time of your death, your spouse could keep the funds in a tax-deferred plan. If you had already converted your plan to an RRIF, your spouse could continue to receive payments, and those payments would be taxed only when received.

However, on the death of a surviving spouse, the remaining balance of an RRSP or RRIF is treated in the estate as fully taxable income and may be subjected to rates of more than 50 per cent, including probate fees. This tax is payable by the estate even if the remaining balance has been transferred to children or next of kin under beneficiary designations. This can create a cash liquidity problem for the estate, if not fully anticipated.

If you are not survived by a spouse, and if you have no children or have made other arrangements for them, leftover retirement funds can make an excellent charitable gift. Naming Humber as a beneficiary of your registered plans can be a very 'tax wise' decision because the charitable tax credit resulting from your gift will almost entirely offset the tax otherwise payable by your estate on the distribution.

Advantages of a Gift of Registered Funds

You can continue to manage and access your assets during your lifetime while simultaneously providing for future philanthropic plans. You retain the ability to change the beneficiary at any time.

You have the capacity to make a generous donation while still ensuring your family's financial security by naming multiple beneficiaries.

You can reduce estate administration taxes payable at death by making a gift by beneficiary designation outside of your will. Your estate will receive a donation receipt for the value of your gift and the resulting charitable tax credit will almost entirely offset the tax otherwise payable on the distribution.

If proceeds from your retirement funds are \$25,000 or more, you may create a named endowed fund to support Humber for many years to come and, if desired, in perpetuity.

How to Ensure Your Legacy

Follow these important steps to make your gift of registered funds:

- Consult your financial advisor to ensure your particular needs are met.
- Request a Change of Multiple Beneficiary form from your plan provider.
- Change the beneficiary information on the plan, naming Humber as the beneficiary of all or a portion of your RRSP or RRIF.
- Advise us of your intentions. It means a great deal to us to be able to thank you, on behalf of Humber students, and personally recognize your generous commitment.



Contact Us

To make a gift through your will or to advise us of your intentions, please contact:



Humber Advancement and Alumni

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