



# **Diocese of Dunedin (Anglican) Bequest Guide for Donors**



# **Bequests Guide for Donors**

## **Why we have this guide**

A bequest is a voluntary gift to the life, works and mission of the Anglican Church, from the estate of you, the Donor.

This guide is in no way, any form of persuasion for a bequest from you. It is simply a guide to the bequest process, recipient obligations, and information to you on why a bequest can be very helpful in the work of the Anglican Church in making the life and mission of Jesus Christ known to all.

A bequest is typically made in your last Will and Testament and the gift is made by the executor of the Will upon your death. Sometimes a Donor wishes to make a gift while they are still living, particularly for specific projects and such gift may be called a Living Bequest

## **The Decision is Yours Alone**

A bequest is made freely and voluntarily by you as the Donor. There can be no pressure or persuasion by any recipient for a bequest from you. Reasons for you to make a bequest to the Diocese or Parish are many and varied, but may include:

- An expression of thanks for the contribution that God has made to your life through the Anglican Church.
- A wish to enable a vibrant mission by the church towards a specific group such as youth, the elderly or those in financial need.
- A wish to see specific major projects or initiatives in the church be successful.

## **Preparing Your Will**

Your solicitor or a trustee company should prepare your Will to ensure it is properly constructed and written according to legal requirements. If you do not use independent professional advice there is a real risk your wishes might not be carried out. For this reason, solicitors and trustee companies are all keen to see properly written Wills for everyone.

Most people make or amend their Will three or four times in their life:

- As a young person when they acquire significant assets or get married,
- When they have dependents such as children,
- When they retire from their career or employment,
- Within three to five years of death (such as due to serious ill health)

It is often a good idea to make provision for a bequest in your first or an early Will, even though it is likely it will be amended as your life progresses. Putting some provisions for a bequest in an early age, means you are thinking of others already, and makes it easier to fine tune your thinking as your life progresses.

You need to remember that making adequate provision in your Will for close relatives and dependents is considered by courts an important matter; however, you can still make a significant bequest after this is done. Again, your solicitor or trustee company will give you good advice on this.

### **How to frame your bequest in your Will**

There are many ways to frame the wording of a bequest. The choice is yours but to help you ensure the bequest is used meaningfully, we make the following suggestions.

- A bequest might be to your local parish, or the wider Diocese to allow benefits to flow to other parishes
- A bequest can be shared between your local parish and the Diocese
- A bequest to your local parish might specify the name of the parish or might simply say “my local parish”. This may be useful because between the time of writing your Will, and your death, your parish may have merged with another, it might be a new parish in a new area, or you may have moved your home. If you use this style, your executor will be consulted on which parish is the recipient.
- Bequests to a Parish are normally made to the “Churchwardens” who are elected by the Parish to ensure proper management of Parish resources. It is not normal to mention a specific warden or vicar’s name as these people change from time to time.
- Unless the bequest is for a very large amount, it is better not to distinguish between capital and income
- Unless you have a specific purpose in mind (in which case it should be stated), it is much simpler for the Parish/Diocese if the bequest is said to be “for general purposes”.

We suggest the following wording in your Will as meeting the legal requirements, however your personal solicitor may have similar alternative wording they prefer. Feel free to discuss the contents of this Guide with them.

### **TYPICAL FORMS OF BEQUEST**

- A.** *"To the Church Property Trustees / Churchwardens of ..... Parish of the Diocese of Dunedin in the Anglican Church in Aotearoa, New Zealand and Polynesia, the sum of \$..... to apply the income arising therefrom (if income only is to be used) or to be available as to both capital and income for the purpose of .....(or for General Purposes of the Diocese) and I direct that the receipt of the Diocese/Parish shall be a sufficient discharge to my executors for all monies payable hereunder, and they shall not be liable to see the application thereof."*
- B.** *"To the Church Property Trustees / Churchwardens of ..... Parish of the Diocese of Dunedin in the Anglican Church in Aotearoa, New Zealand and Polynesia the sum of \$..... the income arising therefrom (if income only is to be used) or to be available as to both capital and income for the purpose of ..... (or for General Purposes) for Saint X Church at Y on the written requisition of the Vicar and Churchwardens for the time being of the Parish in which Saint X Church is situated and I direct that the receipt of the Trust / Churchwardens for the time being shall be a sufficient discharge to my executors for*

*all monies payable hereunder, and they shall not be liable to see the application thereof."*

*If parishioners wish to make a bequest directly it should be made to "The Churchwardens". It is not customary in New Zealand to leave bequests directly to the Vicar, although they may be made to the Churchwardens to be used at the Vicar's discretion. It is also wise to avoid bequests for very narrow purposes. **To avoid this we recommend that bequests be made "for the General Purposes of the Diocese (or Parish)".***

## **Living Bequests**

Since the timing of our death is always uncertain, and may likely be well into the future, you may wish to make a Living Bequest towards a special project or programme that is happening now. Therefore, a Living Bequest is a gift made by you, from your estate assets, for a particular purpose while you are still living. This is different to a general donation or offering to your parish which is usually made for purposes in the everyday work, life and mission of the Diocese and parishes.

A Living Bequest might also have tax benefits to you, so you should discuss this option with your personal financial adviser e.g. a rebate of one-third for charitable giving, which is not available to a bequest by will

## **How your bequest will be used and acknowledged**

We suggest you make your immediate family aware of your Will and any bequests you plan to make. In many cases a close family member or friend will be an executor of your Will.

As the recipient of a bequest, the Diocese or the Parish will be extremely grateful for your gift and in general will write to your executor with their thanks and any other helpful information relating to the usage of the bequest.

## **How much should I bequeath?**

This is entirely your decision and there will be many factors affecting your decision especially those that depend on your family circumstances.

A suggestion for you to consider, is to tithe your bequest, in other words to bequeath one tenth of your estate. Such an amount will be very welcome by the Church and yet may not impact on any family commitments you wish to make. You may wish to bequeath more or less depending on your family circumstances, but the decision is entirely yours.

## **Taxation Implications**

Generally, bequests are made after all tax matters have been settled in the deceased estate. There may be tax benefits arising from Living Bequests and we suggest you discuss these with your personal financial adviser. Essentially all donations made to a Charity registered with the Charities Commission (such as the Diocese or Parishes under the Diocese) may receive tax deductible donations, provided the donor does not benefit from the gift.

***Jesus told them another story:***

***The kingdom of heaven is like what happens when a farmer plants a mustard seed in a field. Although it is the smallest of all seeds, it grows larger than any garden plant and becomes a tree. Birds even come and nest on its branches***

This parable shows us that bequests, no matter how small or large, grow to become part of God's love and protection for us all. They also help Parishes and Diocese to continue our mission long after we are gone.

***For more about the Anglican Diocese of Dunedin, see the [About Us](#) page on our website.***



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