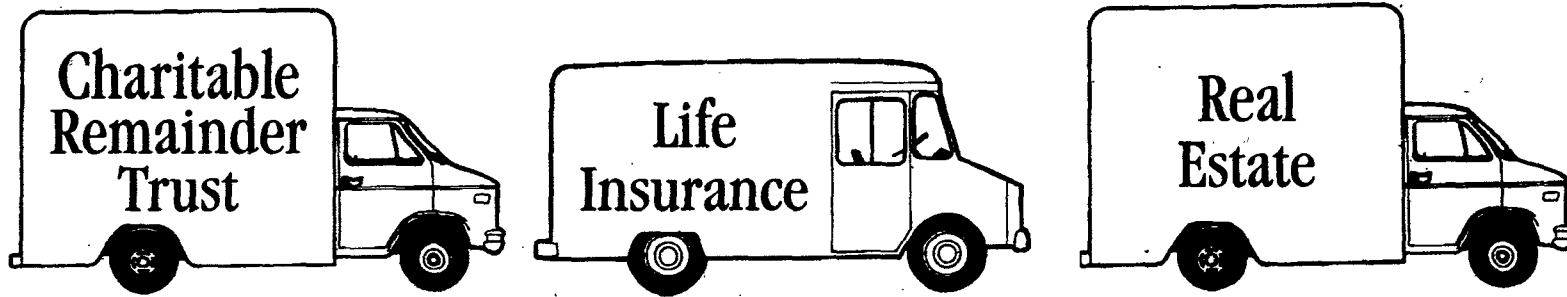


Finance & Stewardship



Giving vehicles transport donors' wishes

By Rob Cullivan
Staff writer

Cathy Cain, an insurance agent with Sprague Insurance of Corning, is happy to say that the beneficiary of her employer-provided life insurance policy is none other than the diocese.

"The treasure available to me is not terribly great," Cain said. "This is a way to give more of my treasure."

Cain donated the policy to the diocese's Miracle of Sharing Campaign, which is raising funds for the retirement needs of priests and women religious, for Catholic schools, and for lay ministry training and support.

As chairman of the community council of the Corning-Painted Post Roman Catholic Community, Cain sees her gift as an extension of her baptismal call to support the church. With no children or other potential beneficiaries to name, Cain decided to use her life insurance policy to the advantage of the faith community she loves.

"It makes a whole heck of a lot of sense to leave (the insurance policy) to a cause I believe in," she concluded.

Cain exemplifies the more knowledgeable donor the diocese hopes to cultivate in the future, according to Patrick Martin, a partner in the Rochester law firm of Nixon, Hargrave, Devans and Doyle, and a member of the newly formed Diocesan Committee on Planned Giving.

The committee has been charged with helping the di-

ocese to make planned giving a permanent feature of diocesan life, Martin said.

"Planned giving opens up people to support the church on a more systematic basis," he said. He added that such institutions as hospitals have been promoting planned giving vehicles among their financial supporters for years.

A number of planned giving vehicles — replete with tax breaks — are available to Catholics on all income levels, Martin explained. He noted that donors could consider a range of giving options from making outright gifts of real estate to be sold or used by the diocese, to participating in a pooled income fund that benefits both the diocese and the participating pooled income fund donors.

Both Martin and the diocese provided information on several vehicles available to potential donors, some of which are listed below. For more detailed information, contact Mary Consler at 716/328-3210, ext. 281.

Real Estate: A donor can transfer property to the diocese, but the property must get a qualified appraisal for its fair market value. The donor then may receive a charitable tax deduction based on the fair market value of the transferred property.

A donor may also transfer property to the diocese, but retain the right to live on it until his or her death, or until he or she chooses to leave the property. The donor then gets a charitable tax deduction for the fair

market value of the property less the donor's life interest as computed by Internal Revenue Service tables.

Life Insurance: The donor transfers an existing policy (on his or her own life) to the diocese. The donor continues to pay the annual premium, taking both federal and state income tax deductions each year for premiums paid. The Roman Catholic Church of Rochester is named the beneficiary.

Upon the donor's death, the face value of the policy, together with any accrued dividends and interest, is paid over to the church. Hence, the donor can make a substantial gift to the diocese without actually transferring current assets. Meanwhile, the insurance policy is not included in the donor's estate for estate tax purposes.

Appreciated Securities: Donors can make outright gifts of stocks and bonds to the diocese, taking both a federal and state income tax deduction for the full current value of the asset. The donor avoids capital gains tax on the appreciation, and also removes an asset from his or her estate, thereby reducing estate taxes upon death.

Bequests Under Will: A donor can set aside for the church in his or her will a stated amount, a specific asset, or a percentage of his or her estate. Upon the donor's death, the funds pass directly to the diocese.

During the donor's lifetime, the terms of the gift can be changed at any time by amendment to the will. The donor's

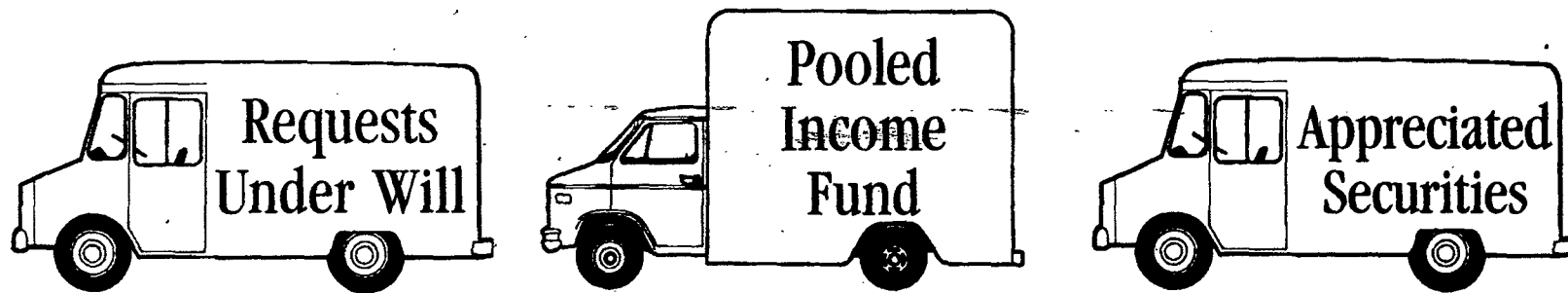
estate receives a full charitable deduction for the value of the bequest, thereby reducing both federal and state estate taxes.

Charitable Remainder Trust: The donor transfers such assets as cash or appreciated securities to a trust, and, in exchange, receives a minimum guaranteed income of at least 5 percent of the donated amount on a quarterly basis for the donor's lifetime, and for that of a second individual, such as a spouse, if desired.

At the time of the gift, the donor receives both federal and state income tax deductions for the value of the trust minus the lifetime interest of the donor as computed by IRS tables. This can result in income tax savings, and the assets given are removed from the donor's estate, thereby reducing estate taxes.

Pooled Income Fund: Numerous donors give assets to this pooled fund which can be used for investment and administrative purposes of a public charity. In return for their donations, donors retain interest income over their lifetime for themselves, or for a non-charitable beneficiary, that is equal to each donor's proportionate share of the fund's earnings as they are made.

Martin noted that pooled funds may be more attractive to younger donors willing to gamble on the fund's earning power, whereas a trust might be more attractive to older donors looking for a more predictable source of income.



Priest wants to 'pay back' diocese through will

By Rob Cullivan
Staff writer

Long before the Diocese of Rochester launched its Miracle of Sharing Campaign, Father William C. Michatek decided to remember the Catholic church in his will.

Currently pastor of St. John the Evangelist Parish in Spencerport, Father Michatek made his decision to bequeath 25 percent of his estate to the diocese in his will when he was ordained in 1966.

"When I got ordained, I said, 'I think I really owe them something,'" the priest commented.

In addition to various assets

he has accumulated over the years, the pastor pointed out that he owns a cottage he bought for \$9,000 27 years ago which is now worth \$130,000, and is located in the Wolcott area near Lake Ontario.

Father Michatek listed his almost free college education, his seminary training, two sabbaticals, continuing education programs, ministry seminars, and health and dental benefits as among the many gifts he has garnered from the diocese in



Father Michatek

exchange for taking his priestly vows. He added that he hoped his brother priests would see their support from the diocese in the same light.

"They're always there for us," Father Michatek said of the diocese.

In addition to giving a quarter of his estate to the diocese upon his death, the priest also willed 25 percent of his estate to whatever parish he last serves before retiring.

He added that the remainder

of his estate will go to relatives and other heirs.

Father Michatek pointed out that his bequests to the diocese and to his last parish come with no strings attached. The pastor added that although he can understand why some donors attach requirements and conditions to their gifts, he said that what may seem like an important diocesan or parish financial need now could be displaced by a more pressing one in the future.

"They've treated me pretty fair so far," he said of his church superiors. "I think I could leave (my bequests) in their hands."

Priest to examine small communities

WEBSTER — Father Curt Cadorette, Newman professor of Catholic Studies at the University of Rochester, will speak about "Christianity from the Bottom Up: Building Small Christian Communities" on Sunday, Oct. 29, at 7 p.m. in St. Paul's Church, 783 Hard Road.

A Maryknoll priest, Father Cadorette will describe the base community movement in Latin America, drawing on his experience in the villages of Peru. He will also talk about ways to adapt the base community concept to parish life in the Diocese of Rochester. The building of small Christian communities is a diocesan synodal priority.

Father Cadorette's speech is sponsored by the parish's John Walsh forum, and is free and open to the public. Refreshments will be served.

For information, call 716/671-2100.

Faith Haven creates new investment fund

NAPLES — Faith Haven, a residential facility for women in crisis pregnancies, has established an endowment fund.

The fund was launched with a monetary gift to the facility. The board of directors has created a brochure that outlines investment and income usage procedures for the fund. The brochure is available for individuals interested in contributing to the fund.

Founded in 1986, Faith Haven serves up to eight residents at a time. The residents are referred to Faith Haven by churches, social service agencies and the court system.

For more information about the endowment fund or on Faith Haven, call 716/374-5659.

St. Anne's to host Baroque ensemble

ROCHESTER — Air de Cour, a 12-member ensemble, will perform "Hooked on Baroque," a collection of four baroque pieces, at 8 p.m. Friday, Nov. 3, in St. Anne's Church, 1600 Mt. Hope Ave.

The ensemble will perform Bach's "Air on G String," Corelli's "Christmas Concerto," Pachelbel's "Canon" and Vivaldi's "Winter." Air de Cour's artistic director, Dr. Bonnie Choi, teaches at Nazareth College and has won several honors, including prizes at the International Harpsichord Competition in Brugge, Belgium, and at the National Association of Young Performers Competition.

Air de Cour's conductor, Jerald Egger, is a baroque specialist who has taught at the Eastman School of Music.

Tickets are \$10 for adults, \$7 for students. They can be bought at Music Lovers Shoppe (716/442-0150) or at Wendell Harrison Music Center (442-4640). For more information, call 242-9029.

Co

By Rob C

Staff writ

Jack I of the D Planned low Cath matter I make or possess, more to probably

"No c having Fitzgerald

In J pointed Catholic they ca that cre for the don't pe famed Robert recently Rochest student

"It is can do adding Catholi too."

Even — plac type of can me of per the d Fitzger

Unli tions c the D Appea such n annuit stocks cies. S

— N

ai

By Tr Cathc

N Thre recei Mone centa their

Ca rank and the Boar Char 40 sc

Th Mon New tains the port artic gath peri Skill

Cl egor ing t inco sper dist sper adr A ties Am age