



Charitable Lead Trust

A **Charitable Lead Trust** is a vehicle to both make a gift to Clark and pass significant assets to heirs free of gift and estate tax – or to return the assets to the donor. Charitable lead trusts do not generate charitable income tax deductions for the donor – the charitable deduction accumulates inside the trust to allow the remainder to be distributed tax-free.

Charitable Lead Trusts are usually only beneficial for trusts of \$5 million or more. They can be used as a vehicle to pass a business or another investment to heirs.

When you establish the Charitable Lead Trust, you irrevocably transfer assets to a trustee and provide that payments be made to Clark University for a period of years (or until the end of your or another's life). At the end of the term, the trust's principal is then distributed to your children, grandchildren, or other heirs – or back to you.

Charitable lead trusts are complex gift- and estate-planning devices which must meet many IRS technical requirements. Clark will not serve as trustee for a Charitable Lead Trust but will consult with your advisors on the establishment of a charitable lead trust benefitting Clark.

For more information on how a Charitable Lead Trust might be a helpful tool in your philanthropic planning, please contact the Clark Office of Planned Giving at (508) 793-7593 or plannedgiving@clarku.edu.

Clark University does not provide legal or tax advice. We recommend that you seek your own legal and tax counsel in connection with gift and planning matters.