



Patron: Hon. Mark Speakman
NSW Attorney-General, Australia

A Will Gift to Katoke

Background

The Katoke Trust has made significant advances in education, medical care and agriculture in **Tanzania**. Perhaps you are already a Donor or are now reviewing or making a fresh Will and have decided to give to this most worthy charity. You may have had a recommendation from a friend. Before proceeding you should personally review the Katoke website (katoke.com.au) and come to some understanding of the exciting changes to young people's lives and also the wider community.

Will bequests are a significant fundraising opportunity for you to sustain this project.

What you need to do in 3 steps:

1. Decide your gift type and value

You might consider making a gift in one of 4 gifts:

- Specific cash gift.
- Specific asset.
- Leave a percentage of your estate.
- You may leave a part of the balance of your estate after other gifts.

See further information on 'Draft clauses for consideration by you and your lawyer' below.

2. Make or update your will

Further information is included below in the following areas:

- Things to consider when making or updating your will
- The purpose of your Will gift
- Draft clauses for consideration by you and your Lawyer

3. Notify your family and friends and the Katoke Trust

We believe that it is an important step to talk to family and loved ones about your Will gift. Communication will ensure your final wishes are carried out. Let your family know that an enduring gift to the Katoke Trust is important to you and advise any executors and guardians of your wishes. We ask that you consider contacting us to let us know of your intended gift. Your notification helps us by providing assurance of future investment into our key priority areas and allows us to personalise communication with you and focus on programs that interest you.

Further information on how to make or update your will

Things to consider when making or updating your will

Whatever your aspirations and the amount or size of your gift you should consider the following:

- Your Will Gift makes a significant difference to Katoke and in a sense is an ongoing and fruitful heritage in your memory. Your children and other family members will be inspired by this gift.
- It is best to consult a quality Estate Planning Lawyer who is well-versed in this practice. As an added piece of advice you should also have up-to-date Enduring Powers of Attorney, Enduring Appointments of Guardian, and an Advanced Health Care Directive with a written advice as to your Estate Plan. In the event that you have a sizeable estate (say over \$2,500,000) you should also consider with your lawyer the practicality of a Testamentary Trust Will which gives significant tax advantages to your beneficiaries and asset protection.
- Is your Will Gift tax deductible? The short answer is 'No' but if you request your beneficiaries to make the gift on your behalf by way of a strong wish in your Will it can be tax-deductible to them. However it is only a strong wish and they may decide not to follow your request.
- It is a very important to get the gift clause right. Even the absence of a few words could result in the necessity to take the specific Will Gift to the Supreme Court at cost of about \$40,000.
- For this reason we give some discretion in the Will Gift clause for your executor to save the gift if there is a problem and this avoids them having to rectify any problem by Supreme Court application.
- Finally, you may leave your gift to Katoke Trust for its **general development purposes, its educational plans, its building program** or other purpose. This is a matter of decision for you and it is possible for you to talk to the Bequest Officer at Katoke to further explore your gift and especially if it is a significant. Please contact info@katoke.com.au if you have any queries.

The purpose of your Will gift

Before going further you should consider the purpose of your Will gift. Is it for the general development program of the Trust? Is it for the educational purposes of the Trust? Is it for the sponsorship of orphans or children from poor families? Is it for general purposes of maintenance and construction of buildings?

You may have other purposes in mind and you might discuss them with the Bequest Officer of the Katoke Trust. **General purposes are advised** to allow the gift to be best used as needs arise at the discretion of the Trust.

The following purpose clauses may assist your Lawyer.

- for its general development program
- for its general educational purposes
- for the general sponsorship of orphans or of children from poor families
- for its general purpose of maintenance and construction of buildings
- for the specific purpose of (Discuss specific wording with the Katoke Trust Bequest Officer)

Some draft clauses for consideration by you and your Lawyer

1. Specific cash gift

- 1.1.1. I give to **Katoke Trust for Overseas Aid (Katoke) (ABN 512 742 721 573) (Katoke)** the sum of \$ **(insert dollar amount, for example \$5,000)** free of all duties for its general purposes and I declare that the receipt of the proper officer shall be sufficient discharge to my Executor who shall not be bound to see to its application.
- 1.1.2. If the gift to **Katoke** cannot take effect then I request my Executor to pay the gift to the charitable organisation or organisation which my Executors at their absolute discretion consider most nearly fulfils the objects I intend to benefit.

Clause 1.1.3 and 1.1.4 keeps the value of the gift at real value. You may or may not include it.

- 1.1.3. The Sum must be increased by a CPI index formula (Sydney All Groups or if it is not in existence another similar index at my Executor's discretion) as follows namely it must be increased but not decreased to an amount represented by A where $A = (B/C) \times D$;
- 1.1.4. and where:
 - B = the CPI for the quarter ending immediately before the date of my death;
 - C = the CPI for the quarter immediately preceding the date of this Will; and
 - D = the amount of the gift.

2. A percentage of your net Estate after debts

- 2.1.1. I give to **Katoke Trust for Overseas Aid (Katoke) (ABN 512 742 721 573) (Katoke)** **[insert %]** of my estate free of all duties for its general purposes and I declare that the receipt of the proper officer shall be sufficient discharge to my Executor who shall not be bound to see to its application.
- 2.1.2. If the gift to **Katoke** cannot take effect then I request my Executor to pay the gift to the charitable organisation or organisation which my Executors at their absolute discretion consider most nearly fulfils the objects I intend to benefit.

3. A percentage of the balance of your estate after other prior gifts Estate after debts

- 3.1.1. I give to **Katoke Trust for Overseas Aid (Katoke) (ABN 512 742 721 573) (Katoke)** **[insert %]** free of all duties of the balance of my estate (the residue) for its general purposes and I declare that the receipt of the proper officer shall be sufficient discharge to my Executor who shall not be bound to see to its application.
- 3.1.2. If the gift to **Katoke** cannot take effect then I request my Executor to pay the gift to the charitable organisation or organisation which my Executors at their absolute discretion consider most nearly fulfils the objects I intend to benefit.

4. A gift of a specific asset

- 4.1.1. I give to **Katoke Trust for Overseas Aid (Katoke) (ABN 512 742 721 573) (Katoke)** **[insert – my residence at; my grand piano; my portfolio of shares; my shares in [insert company name] etc.]** of my estate free of all duties for its general purposes and I declare that the receipt of the proper

officer shall be sufficient discharge to my Executor who shall not be bound to see to its application.

- 4.1.2. If the gift to **Katoke** cannot take effect then I request my Executor to pay the gift to the charitable organisation or organisation which my Executors at their absolute discretion consider most nearly fulfils the objects I intend to benefit.

Note: A gift not in existence at death may be rendered invalid by the legal doctrine of ademption. Ensure you keep your Will up to date. Wills must be reviewed every 3 years.

5. A gift of the whole or part of the balance (residue) of your Estate

- 5.1.1. I give to **Katoke Trust for Overseas Aid (Katoke) (ABN 512 742 721 573) (Katoke)** [insert %] of the balance or residue of my estate free of all duties for its general purposes and I declare that the receipt of the proper officer shall be sufficient discharge to my Executor who shall not be bound to see to its application.

- 5.1.2. If the gift to **Katoke** cannot take effect then I request my Executor to pay the gift to the charitable organisation or organisation which my Executors at their absolute discretion consider most nearly fulfils the objects I intend to benefit.

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