

Naming NLPC as Beneficiary of Your Retirement Accounts

A simple way to leave a lasting legacy

For many Christians, stewardship extends beyond a lifetime. One of the easiest and most effective ways to support your church's future ministry is by naming the church as a beneficiary of your retirement account.

Whether you own an IRA, 401(k), 403(b), or other qualified retirement plan, a beneficiary designation can allow your faith and generosity to continue supporting the ministries you value most.

IRA

401(k)

403(b)

Other qualified plans



Why Retirement Accounts Are Well Suited for Charitable Gifts

Retirement accounts often contain funds that have never been subject to income tax. When inherited by family members, distributions are generally taxable as ordinary income.

Churches and other qualified charitable organizations, however, typically receive these assets free from income tax. As a result, more of the asset can be used for ministry rather than taxes.

For this reason, retirement accounts are often among the most tax-efficient assets to leave to charity.

Benefits of Naming Your Church as a Beneficiary

SIMPLICITY

Establishing a beneficiary designation is usually straightforward and requires little more than completing a form provided by your retirement plan custodian.

FLEXIBILITY

You retain complete control of your retirement account during your lifetime and may change beneficiaries as circumstances change.

AVOIDS PROBATE

Retirement accounts generally pass directly to the named beneficiaries and are not subject to the delays and expenses associated with probate.

LASTING IMPACT

A beneficiary designation can provide long-term support for your church's mission, ministries, outreach programs, and future growth.

A Practical Approach for Most Families

Many individuals choose to divide their retirement accounts among family members and their church. For example:

EXAMPLE BENEFICIARY DESIGNATION



This approach is often simple, efficient, and easy to administer. Each beneficiary receives their designated share directly.

Should You Name a Trust as Beneficiary?

Trusts can be valuable when beneficiaries are minors, have special needs, require asset protection, or when family circumstances are complex.

However, trusts also add legal, administrative, and tax complexity. For many families with financially responsible adult beneficiaries, direct beneficiary designations are often the simpler solution.

A trust should generally be used to address a specific planning need, not simply because a trust exists as part of an estate plan.

Important Considerations

Before making beneficiary designations, consider:

☐ Your family's financial needs

☐ Your charitable goals

☐ Whether existing beneficiary forms are current

☐ How the designation fits within your overall estate plan

Because beneficiary designations generally control who receives retirement account assets, they should be reviewed periodically and updated when needed.

A Gift Beyond Your Lifetime

Naming your church as the beneficiary of a retirement account may be one of the most meaningful gifts you ever make. It requires no current transfer of assets, allows you to maintain complete control during your lifetime, and can provide lasting support for the church and ministries that have shaped your faith.

As with any estate-planning decision, consult your attorney, tax advisor, or financial professional to ensure the designation aligns with your overall financial, family, and charitable objectives.

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