



Planned Giving The United Church of Canada

Interest-Free Loans

If you have financial assets available for which you have no immediate need, you may wish to consider making an interest-free loan to your church for a specific need.

You may have received an influx of cash or shares from the sale of property, a gain in investments, an inheritance, or other sources. This influx has come at a time when you already have adequate income to take care of your personal needs and those of your family. However, you would still like to be able to reclaim the principal after a number of years, so that it will revert to your family.

An interest-free loan is a revocable arrangement in which you lend capital to your church for a set period of time or for repayment upon demand. The income that the church earns on the principal is not taxable to either the church or to you. If you forgive all or any part of the loan in the future, then a charitable donation receipt is immediately issued for that amount.

Benefits of an Interest-Free Loan

- You delight in the joy of giving and have the satisfaction of helping the church today.
- You retain the rights to the capital.
- A charitable donation receipt is issued should you ever choose to forgive the loan.
- The loan provides working capital for the church.
- The church doesn't need to borrow from lending institutions. This can be particularly relevant during capital campaigns and building programs.
- The church has the use of the interest on the principal for its ongoing work.

For more information on making an interest-free loan, please contact your Regional Gift Planner whose card appears in this folder or call The United Church of Canada at telephone: 1-800-465-3771 ext. 2027; e-mail: giving@united-church.ca

See the United Church website at: www.united-church.ca/getinvolved/donate/howto/planned
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