A Comparative Analysis of Bequest/Legacy Giving in China and the West

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**Introduction**

A bequest, or last wish giving, which is the act of leaving treasures like assets or properties in one's will so that they can be given to charitable organizations or causes, is an old tradition in both West and East. The approach to legacy giving post-mortem has profound disparities in the two cultural eras due to disparate legislation, public awareness and education, cultural trends, and historical events. The purpose of the essay is to conduct an accurate, in-depth analysis through an examination of the aforementioned key aspects, aiming to give an answer to the issue of bequest/legacy giving in China as compared to the West.

In countries such as the USA and some parts of Europe, legacy giving functions well thanks to the existence of strong legal and regulatory frameworks which govern estate planning and charitable lending. On the other hand, China's absence of formal estate planning and legacy-giving tradition stemmed from the existence of cultural and political characteristics. Nonetheless, lawmaking changes have been placed in order to develop further philanthropies and gifts being passed on in the nation. Although measures are taken into account in both our cultural contexts, the difficulties remain, illustrating that the issue is a complex one and an insight into diversity. As a matter of fact, by means of the above comparative study, we wish to throw light on the various nitty-gritty of bequest/legacy giving as well as explore pathways for the expansion of philanthropy and social impact in both Western and Chinese societies.

**Legal and Regulatory Frameworks**

Estate planning in both the Western world and China is set between different legal and regulatory regulations, which represent the cultural, historical, and political contexts that shape charitable behaviors.

***Western Countries:***

In the West European World including the U.S, legacy giving is supported by well- structured legal processes that governrust and give and regulations related estate planning and charitable donations. In the Ugandan immigrant community here in the United States, there is a clear emphasis on education and career development that transcends the boundaries of their native country. As a result, the Internal Revenue Service (IRS) offers tax deductions for donations made towards equal rights clubs, allowing qualified non-profit organizations to receive these benefits. (IRS, 2022) These tax incentives contribute as robust pull factors for people to include charitable bequesting in their estate plans because they reduce inheritance and trust taxes while supporting causes that they take in heart.

The same principle plays out in Europe, where countries enact laws that give benefits in form of tax deductions to bequests and philanthropic organizations that contribute to charity works. Such legal regulations differ from country to country; however, typically, donations or tax rebates are assigned to particular charities that are given a nod of approval by the tax agency (De Wit et al., 2020). Moreover, European countries also provide other incentives e.g. reduction of marginal rates on inheritance or capital gains taxes, which in their turn are aimed to foster a culture of legacy giving and non-profit sector growth across Europe.

***China:***

In Heritage, unlike their Western counterparts, Chinese people have yet to become accustomed to estate planning and legacy giving due to cultural and political reasons. The Confucian values of filial piety and the communist regime that barred the bourgeois people from the ownership of private property arguably underpinned the absence of philanthropy as people had to struggle to get out of poverty (Cai & Xiao, 2021). On the other hand, though, concerted legal reforms are now trying to solidify the place of philanthropy and legacy giving in the country.

The Charity Law enacted in 2016 signified a decisive step in shaping official legal grounds for charitable acts regulation in China. The design that came with this body of law was a legal instruction of the organizations' duties, tasks, and assignments. Last but not least, the Charity Law granted tax exemptions to donations made to approved charitable organizations, which encouraged individuals towards the philanthropy movement and made it a much more feasible way of giving gifts for their future.

In addition, alteration of inheritance laws has provided legal support for lighting, namely accommodation of charitable bequests in wills. This provision defines the procedural ways of allocating the property to charitable organizations. In addition, this regulation gives the possibility to give will to charities that will be honoured (Gu, 2018).

Hence, legacy giving in the West and China differs as the former is operated through laws and regulations that are based on elements of culture, history, and politics. At the same time, the latter is supported by reinstating traditional practice in accordance with social norms. On one side, western countries are at the advantage of the already established tax incentives in that regard of philanthropic donations and legacy giving; on the other hand, China is undergoing a massive legal reform to boost and, ultimately, regulate philanthropy. The objective of establishing legal frameworks of this type is to offer tax breaks, settle taxation issues, and support charitable organizations - all these are meant to encourage people to give away their assets for the benefit of society during their lifetimes.

**Public Awareness and Education**

Western countries have raised a barren level of legacy-giving publicity owing to the sound educational campaigns facilitated by non-profit organizations, financial institutions and estate planning professionals. These unified efforts will show how important it is for people to plan for their estates, the benefits of charitable wills, and different ways of leaving charitable bequests in their wills (Robinson et al., 2020). Through transparent communication using different channels like workshops, seminars, online platforms, and brochures, this undertaking ensures that people will become enlightened and, therefore, be in a position to make rational decisions with respect to their wealthy legacies.

In the opposite case in China, enhanced by social awareness and appeal, public knowledge about legacy giving still needs to catch up to that of other developed countries. Family culture is impacted by the situation of inheritance and wealth, which is heavily influenced by Confucian morals and the duty of family first. Philanthropy, in this case, is not followed; family is given priority as opposed to it. (Cai & Xiao, 2021) However, philanthropists are increasingly leveraging strategic approaches in pursuit of legacy and major gifts, which signals a turning point in historical patterns of giving. Charitable giving through bequests is a growing field of nonprofit organizations and government initiatives that are raising public awareness and educating people about it. (Zhang & Choy, 2019) As a result of purposefully designed educational projects, these organizations bridge the gap in their educational campaign, enlightening people about designated donations as their ways to help society.

**Society Trends**

Both Western nations and China are confronted with dramatic demographic transformations, particularly with the ageing population and the transfer of wealth between generations. In the West, the transition has marked a step towards legacy giving since individuals are anticipating to continue to impact on causes that interest them well after their demise to the turn of the century (Bekkers & Schuyt, 2008). In addition, the government policies that motivate an individual to give, for instance, creating a tax-advantaged status for charitable donors and giving favourable treatment to such philanthropic organizations, have contributed to the increase of legacy giving in Western societies (De Wit et al., 2020).

Moreover, in the same way, like in China, they result from cultural and administrative changes and policies. The emergence of an ageing population and the accumulation of the personal wealth of the middle class increases the desire for humanitarian work and estate planning (Zhang & Choy, 2019). Governments which spearhead the social policy initiatives aimed at solving social issues, including poverty eradication and healthcare reform, have supplemented charitable activities and spurred philanthropists to incorporate bequests in their wills (Gu, 2018).

**Challenges and Differences**

Although both are beloved or emulated in the Western world and China by legacy giving, the scenario picture of philanthropy becomes unique because of the various obstacles and differences that still occur.

In the West, one of the most complex issues is avoiding the many tax regulations that can apply to the legal terms of charitable donations. There are a lot of laws and frameworks that can sometimes stand in the way of individuals who want to leave a legacy. Detecting these obstacles requires the aid of financial and legal professionals who ensure legality (Robinson et al., 2020). On the other hand, non-governmental organizations usually encounter cultural obstacles to the philanthropy of many citizens, particularly among certain demographic groups. Barriers like a limited view or suspectability might keep individuals away from giving charitable bequests in their estate plans.

In China, however, a particularly complex legacy-giving dilemma is the Chinese culture's notions regarding wealth and legacy, which are found in the philosophy of Confucius. In the past, family interests have been at the top and competing against charitable bequests in the will of the individuals has also been a major hindrance to considering such bequests (Cai & Xiao, 2021). In addition, this contributes to the understanding of how to deal with the rapidly changing legal and regulatory world hurdle; despite the fact that the follow-up legal reforms provide tools for philanthropy and legacy giving instruments, complexities remain, so the specialists need to turn to for advice and explanation of the issues people may face to deal with when dealing with charitable legacies.

Therefore, the potential setbacks facing both Western countries and China around legacy giving are quite different and mostly due to their individual cultural, legal, and societal contexts. There will be heaps of obstacles along the way ahead, which is why those decision-makers, non-profit corporations and philanthropically organizations will need to work together to raise awareness, educate and streamline the processes while ultimately promoting legacy giving with a goal to reshape social life.

**How Does It Work**

Legacy giving is an act where individuals identify amounts of their estates or assets to a selected charity organization that will be received after they have passed on. Such a philanthropic practice is normally codified with the use of a will by adding charitable bequests.

In the West, it is usually entirely a function of the estate planning process with the help of estate planners like lawyers and financial advisors. These specialists help people with writing wills that agree with their philanthropic interests and stand aligned with applicable legislation and regulations regarding charitable donations (Bekkers & Schuyt, 2008). Estate planning professionals are a great asset whose services assist individuals in creating charitable bequests independently, offering expert guidance on structuring such that the impact is maximized and tax liabilities minimized, helping the individuals leave a mark that will be remembered long after they are gone.

The situation is different; however, in China, legacy giving has been a rare thing to do in the past. This area is where Nongovernmental organizations become crucial in promoting and helping with legacy giving. The community foundation partakes in educational programs that enlighten the public about the advantages of bequeathing, such as non-dependence on lifetime giving, the acquisition of Head Start monetary institutions, and bookkeeping and respect for the estate. Moreover, nonprofits equip the public with resources and advice associated with charitable bequeathing in the estate plan (Zhang & Choy, 2019). Through the conduction of workshops, seminars, and information handouts, nonprofit and charity organizations can make phone aware so that they are able to make responsible decisions when it comes to their philanthropic giving, thereby contributing to the growing culture of philanthropy in China.

Both in Western countries and China, charity legacy gifting is a way of giving people an outlet for leaving a mark that cannot easily be forgotten and for contributing to the society they love through support for the causes that are the closest to their hearts. Both through the consultation services of estate planning professionals and by educational resources of non-profit organizations and philanthropic entities, legators are able to make sure that their charitable goals are transmitted to future generations so that social progress is not halted but forwarded instead.

**Conclusion**

To conclude, a bequest or gift from the estate, which is widely practised all over the world, is shaped by the multitude of sociocultural factors within each context. The legacies of charity giving in China and the West were put under the lens of legality, public awareness, education, trends in society, and the challenges they represented. On the one hand, Western nations have relatively strong legal and regulatory systems, and most of the population is very aware of philanthropy and legacy giving. On the other hand, China is still in the stages of enacting laws for philanthropy and legacy giving, and the public is now educated via awareness activities. These unique cultures could be clearly distinguished from each other, yet it is their common purpose to assist society and provide legacy planning that unifies them charitably.

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