

Future IRA Gift Options

If you are already currently making good use of your IRA income, you may be interested in helping us with a gift in the future rather than right now.

Bequest of IRA

There are several ways that you can make a future gift of your IRA to charity. One option is to designate a charity as the beneficiary of your IRA. This permits you to continue to take withdrawals from your IRA during life and then leave the remaining value of your IRA to charity.

Testamentary IRA Gift Annuity

Another option is to make a future gift of your IRA to charity while providing life income to your heirs. Your family will receive fixed payments based on age at rates that can be as high as 9.5%.

Give it Twice Testamentary IRA Unitrust

An IRA may also be transferred to a special "Give It Twice" trust that usually provides income to children for a period of up to 20 years. After that time, the trust may pass to charity, creating a wonderful way for you to make a charitable gift.

Request Further Information

I have reviewed your brochure on the IRA Rollover and:

- I would like to speak with someone who can provide additional IRA Rollover information.
- I would like to receive information on other charitable tax planning options.

Name _____

Street _____

City _____

State / Zip _____

Home Phone _____

Work Phone _____

E-mail _____

(Please complete and return. All inquiries are treated with complete confidence.)

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IRA Rollover Gifts



A Special Gift Opportunity

Why Make Charitable IRA Gifts?

There are many reasons to take advantage of new legislation that permits you to make charitable gifts from your individual retirement accounts (IRAs). Individuals over age 70½ may rollover \$1,000, \$5,000 or any amount up to \$100,000 per year. The gift qualifies for the individual's IRA minimum distribution and could substantially lower taxes. Here are more reasons why you will want to consider making an IRA rollover gift this year.

Do You Take the Standard Deduction?

If you are like many individuals over age 70 1/2, you no longer have a mortgage payment and your medical deductions are less than 7.5% of your adjusted gross income. Since you do not have enough deductions to itemize on your Federal income tax return, you choose instead to take the standard deduction. While you may support charities, you have little incentive to make charitable gifts. For example, if you withdrew funds from your IRA to make a charitable gift, your taxable income would increase, but you would have no offsetting itemized deduction. The IRA rollover option permits you to make IRA gifts directly to charity and take the standard deduction.

IRA Gifts Benefit the Standard Deduction Donor!



Judy was a retired nurse and a volunteer for her favorite charity. Judy's IRA had increased to over \$435,000. Since Judy owned her own home and had more income than she needed, she decided to make a gift of \$1,000 to her favorite charity. Judy did not have enough deductions to itemize, so she took the standard deduction. Under normal circumstances, a withdrawal of \$1,000 from her IRA and a gift to charity would have increased Judy's taxable income, with no offsetting charitable deduction. Judy was pleased to learn that she could rollover \$1,000 from her IRA to her favorite charity. Best of all, Judy was able to make the gift without paying any additional taxes.

Do You Face High Social Security Taxes?

You may be concerned about rising taxes on your Social Security payments. If your income is below a level set by the federal government, 50% of your Social Security payment is taxable. For income in excess of that government set level, up to 85% of your Social Security may be subject to tax. Taking a distribution from your IRA could potentially push you into the 85% taxable Social Security level. By transferring a portion of your IRA directly to charity, you may be able to avoid increasing your income. The gift could save you substantial taxes on Social Security.

IRA Gifts Lower Social Security Taxes!



Gary was a retired manufacturing worker with a substantial IRA. At his current income level, 50% of his Social Security payments were taxable. Gary was involved with a local charity and desired to make a current gift of \$5,000. By transferring a portion of his IRA to Charity, Gary was able to keep a lower taxable income. Gary liked the fact that the gift also helped to lower taxes on his Social Security payments.