



COLUMNS

PRACTICAL GIFT PLANNING NEWS AND IDEAS FOR FRIENDS OF WYOMING SEMINARY

APRIL 2021

Preparing Brings Peace of Mind

Institutions like ours are constantly taking steps to maintain necessary resources for fulfilling our mission now and in the future. To do this, we rely on help from you and others who make thoughtful gifts each year along with those who make generous provisions in their long-range plans.

After first providing for your loved ones, you may find it is also possible to make a “gift of a lifetime” through a well-planned legacy gift from your estate.

Most of us have future plans, but some may not be fully prepared for what may lie ahead. Anticipating life events—expected and unexpected—can be challenging. Too often, this can lead to a lack of long-term planning that would help ensure financial security for ourselves and those important to us.

Lack of a plan becomes a plan

The task of preparing estate and financial plans can seem daunting and is easy to put off. Unfortunately, though, having no plan eventually turns into a plan in and of itself.

In the absence of a valid will and other plans, inflexible state laws will instead be used to distribute your property among relatives, regardless of what your wishes may be.

Making effective plans, however, can result in significant savings in time and unnecessary expenses that could reduce the value of your estate. And it brings peace of mind because when you take charge of the planning process, you ensure that your intentions will be fulfilled.

Begin now

There is no time like the present when it comes to creating or updating your estate plans. Please let us know if we can answer any questions you or your advisors may have about the charitable aspects of your plans.

We would be happy to provide more information about ways you can provide a lasting legacy to Wyoming Seminary while preserving financial security for you and your loved ones.



INSIDE THIS ISSUE

Providing for Those You Care About • Assets Your Will Won't Direct



Providing for Those You Care About

Through your estate plans, you can help plan for the future well-being of your family and others you care about. Your will or living trust can provide for a spouse, children, grandchildren, parents, siblings and friends. It can also include gifts to Wyoming Seminary.

As a result of tax law changes, fewer people will be subject to federal estate tax than ever before. Because of this, many are reconsidering how to leave their assets to those they care about. After first providing for loved ones, here are some ideas for including Wyoming Seminary in your will or living trust.

Different ways to give

You can make a gift in your will or trust from what is left after gifts to others have been fulfilled. Making charitable gifts from this amount, which is known as the “**residue**” of one’s estate, does not affect your family’s future security. You may provide that all, a specific amount or a percentage of the remainder of your estate becomes a gift to Wyoming Seminary

after other specific bequests have been fulfilled.

Though there are many ways to give through your will or trust, a gift of a **fixed dollar amount** or a **specific property** is the simplest. Cash, securities, real estate and personal property can all be given through a will or trust.

To be sure your charitable gifts remain in proportion to other bequests, you may decide to designate that a **specific percentage** of your estate be given.

Honor a loved one

You can arrange any of these gifts in memory or **in honor of someone special**, such as a spouse, family member or other loved one. And remember that you can add charitable gifts to your existing plans through a “codicil” or amendment.

For more information or if we can answer any questions about the charitable aspects of your plans, confidentially and with no obligation, contact us.

SAMPLE BEQUEST LANGUAGE

If you are considering a bequest to Wyoming Seminary, the following language can be shared with your legal advisor for inclusion in your estate planning documents: “After fulfilling all other specific provisions, I give, devise and bequeath _____ % of the rest, residue and remainder of my estate (or \$ _____ if a specific amount) to Wyoming Seminary, (Tax ID # 24-0795509) currently having offices at 201 North Sprague Avenue, in Kingston, PA 18704-3593.

Assets Your Will Won't Direct

When you think about planning your estate, the first legal document that probably comes to mind is a will. After all, a will is the most popular estate planning vehicle whether your estate is large and complicated or of more modest means. And while a will can control the distribution of most of your property, it may not determine who receives certain types of assets.

Joint ownership

One example of assets that will bypass a will is property that is owned jointly by two or more people. Husbands and wives often own several assets in this way. With joint ownership, when one co-owner dies, the property will automatically pass directly to the surviving co-owner.

Because such property never falls under the terms of a will, it passes to the joint owner free of the delays and expense of probate. Unlike a will, whose directives become public knowledge, joint ownership also provides privacy for the property holders.

Trusts

A trust is another popular plan. Assets you place in a trust are managed according to your instructions. When the trust ends (usually at death), the assets are managed or distributed to heirs as you direct in the trust. Like joint ownership, a trust usually avoids the probate process and provides a confidential transfer of assets.

Plans where you name beneficiaries

Another way to automatically transfer assets to heirs is through contractual arrangements that allow you to name beneficiaries. Examples of such plans include life insurance policies and retirement plan accounts, where, at the end of lifetime, funds left in the plan go directly to the beneficiary you designate. Such plans generally allow funds to pass outside of probate, providing a prompt and simple transfer of assets.



GIVING THROUGH YOUR IRA

If you are age 70½ or older, you can make charitable gifts directly from individual retirement accounts (IRAs)* using funds that might otherwise be taxed when withdrawn (up to a total of \$100,000 per individual per year; \$200,000 per couple with separate IRAs).

Because most funds withdrawn from IRAs are considered income, your total taxable income is increased, pushing you into a higher tax bracket. Distributions directly to charity from your IRA will not, however, be included in your taxable income whether or not you normally itemize your charitable gifts and other deductible expenses. Such gifts can count toward any required minimum distribution.

*If you are still making deductible IRA contributions and making a qualified charitable distribution, check with your advisors for the tax treatment.

10 Reasons Why You Should Have an Estate Plan

A comprehensive estate plan can enable you to provide specific instructions for your personal, long-term goals. You can:

1. Update your plans to reflect your changing circumstances and wishes.
2. Outline your health care wishes if you should become incapacitated.
3. Name a guardian for minor children, if needed.
4. Provide life insurance for your family; disability income insurance to replace your income if you cannot work due to illness or injury; and long-term care insurance to help pay for your care in case of an extended illness or injury.
5. Make your intentions clear.
6. Support family members with special needs without interfering with any government benefits they may receive.
7. Provide for loved ones.
8. Arrange for the transfer of your business at your retirement.
9. Minimize taxes, court costs and unnecessary legal fees.
10. Include charities you care about, like Wyoming Seminary.

If you would like to discuss any of the planning ideas mentioned in the newsletter, please return the reply card or contact us. We are happy to help with any questions you may have about making your charitable gifts.



For more information contact:

Nina G. Moser
Vice President of Advancement
Wyoming Seminary
201 North Sprague Avenue
Kingston, PA 18704-3593
(570) 270-2143
nmoser@wyomingseminary.org