GIVING USING A BENEFICIARY DESIGNATION. EASY FOR YOU. FAVORABLE FOR YOUR HEIRS.

EST. 1893
WALNUT HILL
SCHOOL FOR THE ARTS

A key part of your planning

Using a beneficiary designation to make a gift to Walnut Hill is often overlooked, and potentially can result in more of your assets going to your heirs. As with other loyal supporters, the uncertainty of how much you may need in retirement might make you reluctant to part with assets now that you may need later. It's understandable. Here is "why" and "how" using a beneficiary designation may work for you and Walnut Hill.

Your will or living trust - only part of the picture

The distribution of assets passing through your probate estate is determined by your will. If you have a living trust, it only distributes assets owned by the trust. You likely own many assets whose distribution is not controlled by your will or living trust. These assets will pass to your heirs or others you have named as beneficiaries in documents other than your will or living trust. You may have more assets that will pass through beneficiary designations than will pass under your will or living trust.

Your beneficiary designation controls who gets these assets

- Retirement accounts
- Life Insurance Policy
- Bank accounts such as Certificates of Deposit and Savings Accounts
- Investment Accounts at brokerage companies
- Commercial Annuity Contracts

The taxes can reduce what your heirs receive

In most cases, you have never paid income taxes on assets you contributed to retirement accounts such as IRAs, 401(k)s, and 403(b)s. If you name your heirs as beneficiaries of these accounts, the IRS will require that they pay income taxes when they withdraw the assets, which for most non-spouse designated beneficiaries must take place within 10 years, potentially pushing those beneficiaries into higher tax brackets. If your estate is subject to estate tax, assets controlled by beneficiary designation could subject your estate to even more taxes and further deplete these accounts for heirs. Walnut Hill is tax-exempt. Therefore, if you name Walnut Hill as the beneficiary you can use the full value of the accounts to advance our mission. Leaving other assets to your heirs will allow them to keep more of your assets.

Your next steps

You should consult with your professional advisors as to how naming Walnut Hill as a beneficiary of some or all of your accounts will impact your overall estate plan. You will need to obtain the beneficiary designation forms from account administrators and return the completed forms to the administrators. Some financial institutions will allow you to designate beneficiaries through their website.

We are here to assist

If you have questions please contact our Office of Legacy Giving by sending an email to development@walnuthillarts.org.