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OH, THE GOOD YOU CAN DO!

by Ron L. Meyers, Esq.

*There are many ways to make **charitable gifts** in your estate plan – during your life and after – all with great tax advantages.*

You may not think you have an “estate”, so why do estate planning? Well, an estate is not just a big house with lawns and gardens. It’s anything you own in this life that you would like to pass on to others when you’re gone. If you don’t have a will, you have little control of how your property will pass to others, and the laws of your state may create unintended difficulties, conflicts and costs. If you do make a will, then you have great power to settle your estate smoothly and to make well-planned gifts to your loved ones – including beloved institutions like a college, church or hospital.

Most of us need our money to live on, and don’t know how much we can spare to give away. But planned gifts allow you to pledge your support now with funds that will be delivered when you no longer need them. This is a great way to support the institution for the long term, passing your support from generation to generation.

One of the simplest ways to give is to **make a bequest in your will**. A bequest can be of absolutely any amount, no matter how large – or small. A community of \$100 donors can do as much or more than a single million-dollar benefactor. You may not put up the new library, but you can add some bricks to the building, or some books to the collection. A few thousand dollars can fund a student’s life-changing summer internship. And with a \$50,000 gift, a school or college may establish a scholarship in your name.

When making a bequest in your will, **you have many options**. You can leave a specific dollar amount, or a percentage of your estate. You can leave a fraction of the estate that remains after other gifts have been disbursed. Or you can name the organization as a contingent beneficiary, to receive the gift of a loved one who predeceases you. Almost any gift can be crafted by a good lawyer to reflect your intentions and your available assets.

Another easy way of giving is to **name the organization as a beneficiary on your retirement account or life insurance policy**. This can be done by simply filing a form with the account manager or insurance company. These gifts have an array of tax benefits, too. If you give the insurance policy itself to the organization, you will get it out of your taxable estate, and each year you give money to the organization to help pay the premium, you can get a charitable deduction. Sometimes, people have a stray retirement account from a prior job, or an insurance policy that they no longer need – these can be marvelous gifts to the charity.

Better still is to let the organization take care of you at the same time that you are taking care of it. A **charitable gift annuity** is a great alternative to other investments for retirement. By contributing funds to the organization, you earn a **guaranteed return** on that contribution in every year for the rest of your life. The returns on gift annuities tend to be far better than those on commercial investments, and the older you are when you establish the annuity, the higher the rate will probably be. You can even

contribute now for an annuity that will begin to pay out when you are older, to get an even more favorable rate in the future, with a charitable deduction today. A gift annuity can give you much-needed security in your retirement, while giving the organization solid support for the future.

What's more, all charitable gifts can generate **tax advantages** – perhaps multiple advantages – in addition to helping the institution you love. Any institution you care about has a contact person for planned gifts. Give them a call – they will love to hear from you. Or give me a call, and we'll see how much good you can do in this life, and beyond.

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