

# Living Legacy

## *Improving Health Through Philanthropy*

### Tips for Savvy Giving

*It may be impossible to live a mistake-free life*, but these tips will at least cut down on missteps when it comes to charitable giving.

★ **Keep Records.** Poor recordkeeping can create a hassle at tax time—and major headaches if you're audited by the IRS. Keep records of all charitable donations so you can reconcile your deductions if you are itemizing and substantiate your deductions in the event you are audited.

★ **Don't Sell Stock.** If you've owned stock for more than a year and it's increased in value, donate the stock directly to Rice Health Foundation. You eliminate capital gains tax and receive an income tax charitable deduction for the full fair market value, when you itemize.

*Exception:* If it has decreased in value, sell the stock first, then donate the proceeds to Rice Health Foundation. That way you can take the loss on your taxes and get a potential charitable deduction as well.

★ **Hold On to Your Bonds.** Transferring savings bonds during your lifetime usually results in taxable income. But if you include a provision in your will to leave the bonds to us, we redeem the bonds free of tax after your lifetime.

★ **Don't Give Away Annuities.** Donating a commercial annuity during your lifetime may also result in taxable income. But if you name Rice Health Foundation as beneficiary of a percentage of the annuity after your lifetime, we receive that portion of the annuity tax-free.



#### **We're Here to Help**

We'd be happy to discuss the benefits of making a planned gift and share other giving options as well. Please contact Shirley Carter at 320.231.4147 or [shirley.carter@carrishealth.com](mailto:shirley.carter@carrishealth.com) to learn how you can lend lasting support to quality health care services at Rice Memorial Hospital.



# Your Planned Gift Helps Us Prepare for the Future

*Planning for the future is always a good idea*, no matter where you are in life. As an example, Rice Memorial Hospital relies on the foresight of those who include gifts to Rice Health Foundation in their financial or estate plans. These planned gifts can be made now to restore and promote the health and well-being of residents and communities of West Central Minnesota or they can take effect in the future as a final way to leave your legacy.

Depending on the gift arrangement you choose, you can:

- Feel secure about the future of your loved ones.
- Maintain control of your assets for life.
- Receive tax benefits.
- Give more than you ever thought possible.

Here are a few popular planned giving options:

**Gift of appreciated securities.** If you've owned stock for more than a year, and it's increased in value, you may donate the stock directly to us. You may receive an income tax charitable deduction for the full fair market value of your gift when you itemize and eliminate capital gains tax.

**Gift in your will or revocable living trust.** This can be as simple as including a sentence in your will or living trust (see example on this page). Because this gift doesn't go into effect until after your lifetime, your current budget isn't affected, and you can change your mind at any time.

**Gift of retirement plan assets.** When you name Rice Health Foundation as the primary beneficiary on the beneficiary designation form for a percentage of your account's final value, you can make a tax-wise gift to support our patients and their families after your lifetime.



## SAMPLE LANGUAGE TO USE

If you are ready to include a gift to Rice Health Foundation in your will, discuss with your attorney this suggested wording to the document:

*I give to Rice Health Foundation, 301 Becker Avenue SW, Willmar, MN 56201, federal tax ID 41-1611555, the sum of \$\_\_\_\_\_ (or \_\_\_\_\_ percent of the rest, residue and remainder of my estate) for its general purposes.*



# 4 Good Reasons to Be Charitable

and None of Them Involve Tax Write-offs

*There are many reasons* you *could* support a charitable cause. And undoubtedly many reasons you *would* as well.

Here perhaps are a few reasons you *should*.

**1 Continue your support.** If a charitable cause is worth supporting now, wouldn't it be nice to know you could help after your lifetime, too? A gift in your estate plan helps Rice Memorial Hospital continue to help people to live as well as possible.

**2 Make a difference.** Most people want to know at the end of their lifetime that they've made a difference. Planned giving is a way to ensure that the people and causes

most important to you benefit from your generosity. You indeed can make a difference.

**3 Set an example.** Your generosity may inspire others. When someone else witnesses your generosity, that person is more likely to be charitable or make a donation. Children in particular can benefit from seeing an adult they respect donate or volunteer.

**4 Just feel good.** Giving makes you feel good. Really, it does. Research shows that the act of giving reduces stress-related activity in one area of the brain while increasing reward-related activity in another. Our brains are wired to feel rewarded for magnanimity and selflessness.



## Find Your Giving Spirit

Learn about the many different ways you can give to Rice Health Foundation. Contact Shirley Carter at 320.231.4147 or [shirley.carter@carrishealth.com](mailto:shirley.carter@carrishealth.com) for more information.

# Simple Estate Planning

*If you like keeping things simple—and who doesn't?*— then consider using beneficiary designations for important accounts.

You probably know you can use a beneficiary designation form to name a person or organization to receive proceeds from life insurance policies and retirement plan assets after your lifetime. But did you know you can also do this with bank and brokerage accounts?

Most states\* allow you to designate a beneficiary for these types of accounts in one of two ways:

★ **Payable on death (POD):** You name one or more persons or charities as the beneficiary of your checking, savings or certificates of deposit once you, the account owner, pass away.

★ **Transfer on death (TOD):** You designate one or more persons or charities to receive proceeds from your brokerage or investment account after your lifetime.

Bear in mind, it is not necessary for the designation to transfer all of the account solely to Rice Health Foundation—you can designate a certain percentage of the account.

Also, with both POD and TOD accounts, the beneficiary has no rights to the funds until after your lifetime. Until then, you are free to use the money in the account, to change the beneficiary or to close the account.

\*State laws govern payable-on-death accounts and transfer-on-death accounts. Please consult with your bank representative or investment advisor if you are considering these gifts.



## Call in the Experts

Discover the team players you need to create an estate plan that meets the needs of the people and causes that are close to your heart. Return the enclosed reply card to receive your FREE copy of ***Build Your Best Will Planning Team.***

*“One generation plants the trees, another enjoys the shade.”*



Shirley D. Carter | Executive Director  
301 Becker Avenue SW | Willmar, MN 56201  
320.231.4147 | shirley.carter@carrishealth.com  
ricehealthfoundation.mylegacygift.org