

A BEQUEST TO SAVE TAXES

Robert was a widower who had a great love for our organization. As an individual who had directly benefited from our work, Robert wanted to thank us with a gift from his estate.

Robert told his attorney that he wished to make a bequest to his favorite charity. Robert's estate included some stocks, real estate, and an IRA. Robert's attorney recommended that he give the appreciated stock and real estate to his children and leave his IRA to charity.

Robert: My attorney told me that if I gave the stock and real estate to my children, these assets would receive a step-up in basis at my death. My children could then sell them without paying tax. However, if I gave my children my IRA, the IRA would be subject to estate and income tax. After paying all of these taxes, very little would be left for my family. By giving the IRA to this organization, I could make a nice gift and avoid any additional tax for my estate and children.

Robert contacted his IRA custodian to obtain a beneficiary designation form. He filled out the form and designated our organization as the 100% recipient of his IRA account. Robert's attorney then specified in Robert's will the bequest of his other assets to his children.

Robert: I was so impressed with my attorney's advice that I named him executor of my will.

Robert called and notified us of his bequest. Robert was pleased that because our organization was a tax exempt institution, it would receive the full amount of the IRA value when he passed away, creating a legacy for the future.

You also may want to make it easy and convenient to have a bequest included in your will. For more information about the language to use for your retirement account or language for your will, contact Eileen Fitzenreiter at fitzenreitere@oh.lcms.org or call (419) 599-0213.

**Please note: The name above is representative of a typical donor and may or may not be an actual donor to our organization.*