



visions IN PERSONAL PLANNING

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Planning a Will that Meets Your Goals

A will is an essential estate planning tool for distributing assets and realizing goals, but it's also an expression of an individual's personal story—love for friends and family, dedication to principles, tributes to experiences that have shaped us, and support for valued charities. In this issue of *Visions*, we show how to plan your will so that it meets all your objectives, including leaving a legacy that strengthens the people and causes you have supported and valued for a lifetime.

We hope you'll find our newsletter helpful as you think about writing, revising, or amending

your will in a way that reflects who you are and what you stand for. For more about how to write a will that tells your story, simply return the enclosed card to request our free planning guide, *A Gift in Your Will—How to Meet Your Charitable Goals*.

For more information about wills or other planning ideas, please do not hesitate to contact us by phone or email. As always, thank you for supporting the Zeta Beta Tau Foundation.

Cordially, Fraternally and Sincerely,
Faron A. Lewitt



The City of Light Trust recognizes and honors those who have made deferred gifts, whether revocable or irrevocable, to the Foundation, including, but not limited to, trusts, bequests, gifts of life insurance, and annuities. Membership is open to all ZBT alumni, parents, staff, and friends.

To inform us of your membership in the City of Light Trust, please contact the Zeta Beta Tau Foundation's Executive Director, Faron A. Lewitt at 317-506-7066 or at faron@zbtnational.org.

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Why a Will Is Important

Having an up-to-date will is one of the most significant ways to provide for others. Consider these benefits.

DISTRIBUTING PROPERTY. A will provides a road map for distributing assets—both tangible items (family heirlooms, jewelry, artwork) and other assets (cash, securities, a business interest, or other property). Without a will, state law determines how your assets are distributed—a procedure that does not consider personal wishes, unique situations, or family member needs. Clearly, writing your will is much more desirable than relying on an impersonal distribution formula created by individual state legislatures.

KEEPING THE PEACE. An up-to-date will that clearly communicates intentions keeps heirs from guessing what you might have wanted. Your loved ones can take comfort in knowing that your heartfelt wishes were carefully considered, documented, and carried out.

MAKING AN IMPACT. A will is an opportunity to make an important difference at our organization for years to come. Many of our supporters want to make gifts in their wills, and fortunately, there are a number of options for doing so. Meeting your charitable goals with a gift in your will can bring deep personal satisfaction by ensuring that your personal values are documented and realized.



Taking Action

The essential purpose of a will is to clearly communicate “to whom” and “how” you want your assets to be transferred. In a very real sense, you can look at a will as a comprehensive gift plan—a vehicle that helps ensure that your wishes are carried out. Whether you’re writing a new will or revising an existing one, there are a number of concrete steps you can take.

Complete a detailed inventory of your assets. Then, think about the impact the distribution of these assets can make—the people and causes you want to benefit and the example you want to set.

Determine who will receive your gifts and what those gifts will be. This is a practical exercise with a profound and widespread impact. For example, leaving stock, a vacation home, or a treasured piece of art to a son or daughter through a will is not only a wonderful gift, it tells a powerful story. In similar fashion, leaving part of your estate to support our work is also a gift that sends an important message.

Consider how taxes affect what, how, and to whom you give. Some assets are more tax-friendly for heirs than others. Your advisors can help you identify potential tax issues and assist you in making sound planning decisions. Our office can also provide information about how specific gift options can help you realize your planning goals.

Review your will periodically.

On a regular basis, ensure that your will is up to date and that it accurately reflects your ideas and intentions. If your goals change or if you want to add a charitable gift, your attorney can easily amend your will.

Wills and Charitable Giving

Why have so many of our supporters decided to include charitable gifts to our organization in their wills? A primary reason is control—you not only maintain the use of your assets over your lifetime, but reserve the right to make changes if your situation or goals change.

Flexibility is another reason—you have a variety of options that allow you to fulfill your charitable intentions in effective and meaningful ways:

- A **specific gift** distributes a named asset or designated amount to charity.
- A **percentage gift** leaves a percentage of the estate to charity—if the value of your estate increases over time, the value of your gift also increases.
- A **residual gift** designates that a charity receives what is left in the estate after all other obligations (costs, debts, taxes, and other specific gifts) have been met. A residual gift is a useful arrangement when you want to make certain that gifts to heirs have priority over gifts to charity.



- A **deferred gift** delays the gift to charity. You might, for example, designate that money be held in a charitable remainder trust that pays an annual income to a named beneficiary for life, with the remainder distributed to our organization only after the trust beneficiary's death.

Examples

A gift that provides for family and charity: Deb provides financial support for her 70-year-old brother, Eric, who needs assistance for his lifetime to cover medical and caregiving expenses. In her will, Deb's attorney sets up a charitable remainder unitrust to be funded with property from her estate. At Deb's death, Eric will receive 5 percent of the trust assets (re-valued annually) each year for the rest of his life. When Eric dies, we will receive what's left in the trust—a significant charitable gift. The gift will qualify for an estate tax charitable deduction if Deb's estate is subject to the estate tax.

A gift that keeps on giving: Theo has faithfully supported us for decades. He recently learned about endowment fund gifts and recognized that these gifts provide a way to support our organization for decades and beyond. In his will, Theo directs a \$25,000 cash gift to one of our endowment funds. Since we use only the earnings from these funds to support our work, Theo's gift will make a meaningful difference year after year.

A gift of what is left: Jane's will designates specific gifts for loved ones, a community park, and her late husband's alma mater. Her attorney wisely informs Jane that she should include a designation for the residue of her estate, in case there are assets remaining after all gifts, debts, costs, and taxes have been paid. Jane leaves 50% of the estate residue to us, with the other 50% to be divided between her two children.

All examples for illustrative purposes only

A WILL THAT MEETS YOUR GOALS

If your goal is to...

Directly impact an individual or the Zeta Beta Tau Foundation in a defined way

Make certain a loved one receives care for life and also support our work

Perpetuate your annual gift to the Zeta Beta Tau Foundation

Make a plan for what is left in your estate after costs, taxes, and debts have been paid and other gifts have been distributed

You might...

Designate a gift of a specific amount of cash or other property

Establish a charitable remainder trust in your will

Make a gift to an endowment fund

Leave a percentage of the residue of your estate to the Zeta Beta Tau Foundation

WHAT IS A REVOCABLE LIVING TRUST?

Like a will, a revocable living trust is a tool for managing asset distribution. You can change or revoke it at any time, but at death (or if you choose, in the event of incapacity), the trust becomes irrevocable.

A major difference between a will and a revocable living trust has to do with probate. When a person dies, the executor files the will with the probate court. This simply means estate settlement and the process of estate administration gets underway. But since court proceedings are a matter of public record, every will is available for public inspection. By contrast, a revocable living trust is not subject to probate, which means estate administration takes place in private, behind closed doors.

A revocable living trust is generally more complex and more expensive to administer than a will. You and your advisor(s) should consider your personal needs and wishes to determine the best way to proceed.

Making Your Mark

We hope this issue provided insight as to how a will can play an essential role in reaching personal planning goals while sending a powerful message about what you value most. A carefully crafted will can be personally gratifying and deeply appreciated by family, friends, and the organizations you hold dear. If you do not have a will, we encourage you to take a moment to think about how you want your assets to be distributed.

Your advisors can help you decide how to best write your will, and we're happy to furnish you with additional information on a variety of options for making gifts in your will. If you have any questions, please contact us, and don't forget to request our free planning guide, *A Gift in Your Will—How to Meet Your Charitable Goals*. Once again, thank you for supporting the Zeta Beta Tau Foundation.

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