



visions IN PERSONAL PLANNING

- Simple and sensible: a gift in your will
- Strategic practical giving options: beneficiary designations, IRA or 401(k) assets, bank accounts, transfer on death provisions

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Plan Now But Keep Your Options Open

Whether you are thinking about retirement, a dream vacation, or how to make the most of today, planning is important. Yet experience tells us that in spite of the most painstaking efforts, life doesn't always go the way we intended.

Supporters who value Zeta Beta Tau will be pleased to learn that there are ways to make a meaningful gift and keep the right to alter it when life intervenes. The option of planning a personally satisfying gift while retaining total control of gift assets provides peace of mind because:

- assets are always available if and when you need them, and
- support for the work of the Zeta Beta Tau Foundation can be arranged in a way that fits your personal goals.

This issue of *Visions* introduces gift planning options that offer extraordinary flexibility. One of these options may be a good fit for you, with the added bonus that if your plans change, you have total control of your assets with each gift possibility.

If you have any questions or concerns, contact us directly by phone or email, or return the enclosed card. Be sure to ask for our free brochure, *Plan Now, Give Later*, for additional information on flexible gifts and how they can benefit you.

Cordially, Fraternaly 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.

ZETA BETATAU
FOUNDATION



Strategic Practical Options

Some of the most strategic ways to give can be the simplest to execute and maintain. Additional flexible gift options include naming us as the beneficiary of a life insurance policy, a retirement account, or a savings account. Designations are easy but important ways to make a lasting difference in our work without disrupting your overall financial strategy.

Life insurance beneficiary designations

You may have purchased a life insurance policy to provide family income, set up a college fund or pay off a mortgage. Now, the mortgage is paid, the kids are grown, and your estate liquidity needs are met. You can name our organization

Simple and Sensible: A Gift in Your Will

Few gifts are as satisfying or as simple to arrange as a gift in your will. In a sense, these gifts are “risk free” because you retain full use of the gift property and there is no current out-of-pocket cost. Most important, you have the power to change this gift arrangement in the future in any way you choose.

Critical to success, of course, is an up-to-date will. Your will ensures that your intentions are met—protecting loved ones, determining the distribution of your possessions, and providing for the charities you care about. If you have a will but want to revise it to include a gift to us, the process is easy. Often, your attorney can update your will with a simple codicil, which means you are not required to write a new will.

Choices for gifts in your will

The choices are boundless when deciding how to make a gift in your will. You can designate:

- specific property, such as real estate, a coin collection, or a work of art
- a specific dollar amount
- an amount expressed as a percentage of the total value of your estate
- whatever is left in the estate after all other property has been distributed
- a gift that is contingent upon an event or the existence of specific circumstances

There’s much more to learn about making a gift in your will and the many options available to you. For more information, return the enclosed reply card to ask for our complimentary brochure, *Plan Now, Give Later*.



as the beneficiary or contingent beneficiary of a “no longer needed” policy. You’ll be assured that the policy proceeds are used in the way you prefer. The designation costs you nothing—simply contact your insurance agent to request a beneficiary designation form.

What about IRA or 401(k) assets?

Your retirement assets may include traditional IRA accounts and/or a 401(k) plan. If your philanthropic goals include providing for our organization, there’s a good reason to consider naming us as the beneficiary of one of these tax-deferred accounts while leaving other assets, not subject to income tax, to family members.

IRA or 401(k) assets left to family members or heirs are subject to income tax on distributions as they occur. But since we are a qualified charitable organization, assets left to us are not subject to income tax.

EXAMPLE: Jenny is planning her will. Her assets include a 401(k) account and a stock portfolio. After consulting her attorney, Jenny decides to leave the stock portfolio to her daughter, Elise, and the 401(k) account to our organization.

The stock portfolio enjoys a “step-up” in basis at Jenny’s death. When Elise sells the stock, her basis is the value of the stock when her mother died. As such, her capital gains tax will be based on the stock’s appreciation from the time she inherited the stock to the time she sells.

Had Elise received the 401(k) plan, she would have had to pay income tax on the distributions and follow the required minimum distribution rules. But since our organization is not required to pay income tax on distributions from a qualified plan, all of the assets are immediately available to support our work.



Savings and checking accounts

Another flexible gift option is to set up a Payable on Death (POD) designation on savings and checking accounts. Your bank can provide a form, and it’s easy to do.

With a POD designation, funds in the account are payable at death directly to the person or charitable organization you name. Funds escape the probate process, and you have the right to change the designation at any time. You can designate a primary beneficiary and a contingent beneficiary, which means you can leave funds to a loved one first, naming our organization as a second option. A POD designation is a simple, risk-free way to take care of loved ones and meet philanthropic goals. (*Note:* Be sure to check the law in your state and consult an attorney when planning your estate.)





WHAT ABOUT A REVOCABLE LIVING TRUST?

Like a will, a revocable living trust is a tool for managing asset distribution that lets you revoke or change the trust at any time—until death, when the trust becomes irrevocable. These trusts can also be set up so they become irrevocable in the event of incapacity.

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 in probate court and the process of estate settlement begins. Since court proceedings are a matter of public record, a 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. However, a revocable living trust is generally more complex and more expensive to administer. Explore your options with your advisor(s).

Transfer on Death Provisions

A transfer on death provision is an easy way to make a charitable gift. The gift is a transfer of property that occurs when you die. You retain lifetime control of the property and all ownership rights, which means you can change these provisions whenever you like. There are two primary types of gifts that provide transfer on death options.

- A transfer on death registration on a gift of stock authorizes the Zeta Beta Tau Foundation to become the owner of the stock upon your death.
- Many states (approximately half) allow transfer on death deeds for passing real estate (such as a house) to another individual or charity upon death. Transfer on death deeds avoid the costs and potential delays of probate. Ask your advisor about the laws in your state.

Plan to Make an Impact

The generosity of our friends and supporters plays a vital role for ZBT. All gifts—small, large, and in-between—have a significant impact on our mission. All are important. All are valued. As you consider your goals, remember it would be our pleasure to work together with you or your financial advisor to consider the many ways philanthropy can be used to meet personal planning objectives. To learn more about flexible gift options, simply ask for our brochure, *Plan Now, Give Later*. We look forward to hearing from you.

ZETA BETA TAU FOUNDATION

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