Writing a Will that Hits the Mark

Not so many years ago, television pioneered “up close and personal” pieces — human interest stories that let viewers connect with the real people behind the headlines. These glimpses of back stories let viewers connect with athletes, newly minted pop stars, the famous and the not-so-famous in a more intimate way. With “up close and personal” narratives, the Olympic games became much more than a series of commentaries about gold, silver and bronze medals: They became a collection of heart-warming stories about the sacrifice, dedication, character, and community that made these individuals into world-class athletes.

In this issue of our newsletter, we’ll take a closer look at how the idea of “up close and personal” can apply to writing a will. Though a will is an essential estate-planning tool, it can be so much more. A will becomes a powerful message when it goes beyond the nuts and bolts of distributing assets. Every will tells a story — love for friends and family, dedication to principles, experiences that have shaped us, support for the charities we value and hold dear.

We hope you’ll find this information helpful as you think about writing or amending your will in a way that reflects who you are and incorporates the values you embrace. If you would like to know more about wills and other planning ideas, or if we can help you in any way, please return the enclosed card or contact us by phone or email.

Sincerely,

Joanna S. Feltz, J.D.
Director of Planned Giving
Catholic Community Foundation

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**Why a Will is Important**

Having an up-to-date will is one of the most meaningful ways to provide for others. Three distinct benefits come to mind.

First and foremost, a will provides a road map for distributing property — both tangible items (family heirlooms, jewelry, artwork) and other assets (cash, securities, a business interest, or other property). If you don’t write a will, state law determines how your assets are distributed — a procedure that does not consider personal wishes or intentions. Clearly, writing your own will is much more desirable than relying on an impersonal distribution formula created by individual state legislators.

A will also keeps the peace. By clearly communicating your intentions, heirs aren’t left to guess at what you might have wanted. Your loved ones can take comfort in knowing that your personal wishes were carefully considered, documented and carried out.

Finally, a will can make an impact for years to come. Many people want to make gifts in their wills, and there are a number of options available to help you do this. Furthermore, meeting your charitable goals in this way can bring you deep personal satisfaction for many years into the future. You also have an opportunity to set an example, communicate your values and encourage others to do the same.

**A Will Makes Things Happen**

The primary purpose of a will is to document how you would like to transfer your assets, and to whom. In a very real sense, you can look at a will as a comprehensive gift plan.

Leaving stock, a vacation home, or a treasured piece of art to a son or daughter is not only a wonderful gift, it tells a powerful story. In similar fashion, leaving part of your estate to the Catholic Community Foundation is also a gift that sends an important message. Writing a will becomes a matter of determining who will receive your gifts and what those gifts will be. It is a practical exercise with a profound and widespread impact.

Although the concept is simple and the process is straightforward, you should be sure to consider how taxes might affect what, and how, 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.

**NEED A ROADMAP TO GUIDE YOU?**

Get started with your legacy planning with our Christ-Centered and Values-Based Estate & Charitable Legacy Planning Questionnaire. Find it on our website at www.archindy.org/plannedgiving/resources or call us for a copy.
Charitable Gift Options
What has encouraged so many of our supporters to include charitable gifts to the Catholic Community Foundation in their wills? One factor is control — you not only maintain the use of your assets over your lifetime, but you also reserve the right to make changes if your situation or goals change. Another benefit is flexibility — you have a variety of options that allow you to fulfill your 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 have been met (costs, debts, taxes, and other specific gifts) — a useful arrangement when you want to ensure that gifts to your heirs have priority over gifts to charity.
- A **deferred gift** delays the gift to charity, while individual beneficiaries receive immediate assets. For example, you could designate that money be held in a charitable remainder trust that pays an annual income to a named beneficiary for life, with the remainder of the trust distributed to the Catholic Community Foundation only after the trust beneficiary’s death.

Examples: Making It Personal
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 his medical and caregiving expenses. In her will, Deb 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, the Catholic Community Foundation 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 our organization for decades. He recently learned about endowment fund gifts and recognized that these gifts provide a way to support the Church 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 the event that there are assets remaining after all gifts, debts, costs, and taxes have been paid. Jane decides that the Catholic Community Foundation should receive 50 percent of the residue of her estate, with the other 50 percent to be divided between her two children.

Legislation Has Permanently Extended the IRA Charitable Rollover.
Ask us how you can benefit. 317.236.1482
WHAT IS A REVOCABLE LIVING TRUST?
Like a will, a revocable living trust is a tool for managing asset distribution that you can change or revoke at any time. At death, however, the trust becomes irrevocable. (It can also be set up to 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 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.

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

A GUIDELINE FOR A WILL THAT MEETS YOUR GOALS

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<th>If Your Goal is to...</th>
<th>You Might...</th>
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<tr>
<td>Directly impact an individual or the Foundation in a defined way</td>
<td>Designate a gift of a specific amount of cash or other property</td>
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<td>Make certain a loved one receives care for life and support the work of the Foundation</td>
<td>Establish a charitable remainder trust in your will</td>
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<td>Perpetuate your annual gift to the Catholic Community Foundation</td>
<td>Make a gift to an endowment fund</td>
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<tr>
<td>Make a plan for the amount left in your estate after costs, taxes and debts have been paid and other gifts have been distributed</td>
<td>Leave a percentage of the residue of your estate to the Catholic Community Foundation</td>
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We hope this newsletter issue has again provided insight into practical ways to meet your philanthropic goals. Please take a moment to complete the form below or contact us by phone or email.

Name

Address

City/State/Zip

Phone

Email

☐ I am interested in making a gift from my IRA - please contact me.

☐ Please send information about making a gift of appreciated stock.

☐ Tell me more about charitable gift annuities - the gift option that provides lifetime income.

☐ I am interested in learning more about gifts through my will and remembering Catholic ministries important to me.