

# planned giving

MAKE ARRANGEMENTS TO  
MAKE A DIFFERENCE



WESTERN MICHIGAN UNIVERSITY  
— Homer Stryker M.D. —  
SCHOOL OF MEDICINE



[med.wmich.edu](http://med.wmich.edu)

W.E. Upjohn M.D. Campus



## vision

Vision. It's what allows us to look beyond the here and now. It's seeing potential. It's believing in success. It's dreaming, planning, and commitment. It's taking action today to make a difference for tomorrow.

Western Michigan University Homer Stryker M.D. School of Medicine (WMed) began as a vision. Today, WMed is a wonderful reality. We are learning, discovering, and healing. We are changing lives every day. With vision and a planned gift to WMed, you can invest in the lives and success of generations to come.

## why planned giving

A planned gift is a contribution that is arranged in the present and allocated at a future date, most often granted once the donor has passed away. Planned gifts provide significant tax advantages and are a simple, smart, and meaningful way to leave a legacy.

Donors at every level can make an impact. Through philanthropy, donors contribute to student success in the classroom, faculty research, teaching initiatives, and the further growth and success of WMed.

Choosing the right planned gift depends on your personal circumstances and financial goals. Read on and explore the many ways you can accomplish your financial and charitable goals through planned giving to WMed.

# finding the way to give that works for you

There are many ways to make your gift to WMed. We are dedicated to helping you find the gift method that will help you achieve your philanthropic goals. Planned gifts may consist of the following types of assets:

1. gifts of cash via check, credit card, or wire transfer
2. gifts of appreciated securities including stocks, mutual funds, and bonds
3. gifts of real property including land, residences, and commercial property
4. gifts-in-kind including artwork, books, or collectibles

All gifts to WMed are tax deductible to the full extent of the law. You should consult your tax advisor for applicable federal and state income tax instructions.



## popular ways to give

### BEQUESTS AND ESTATE PLAN GIFTS

You may make a bequest or gift through your estate by including a provision in your will or living trust, or by naming WMed as a beneficiary of a retirement plan or life insurance policy. The amount left to WMed can be expressed as a dollar amount or as a percentage of the assets to be given.

### WILLS & LIVING TRUSTS

Give without affecting your cash flow during your lifetime through designating a legacy gift through your will or living trust. Bequests allow individuals to make larger gifts than they could during their lifetime to support our work. Gifts through a will are also flexible—they can be changed as individuals' circumstances in life change.

### BENEFICIARY DESIGNATIONS

Although many people think of a will as the easiest way to transfer assets after their lifetime, it doesn't cover everything. Retirement plans, IRAs, life insurance, and commercial annuities are not controlled by the terms of your will, but instead use separate beneficiary forms to determine who receives them. These beneficiary designations trump your will when it comes to passing along these assets at your death, making them effective and easy ways to leave a legacy with considerable tax advantages.

### MEMORIALS & TRIBUTE GIFTS

Establishing a memorial or tribute gift is a meaningful way to honor a loved one or celebrate a special occasion—such as a birthday—while supporting WMed and making a difference in the lives of others. You can create a memorial gift with significant income tax deductions and benefits using the following assets: *cash, appreciated securities, real estate, or tangible personal property* (books, artwork, equipment, etc).



# gifts that pay you income

## LIFE INCOME GIFT

A life income gift allows you to give assets to WMed while providing yourself or others with income for a period of time before WMed is permitted to use your gift. You may make a life income gift by irrevocably transferring securities, cash, or other property to WMed or a trustee. The trustee then manages the investment of the assets and pays an income to you, your designated beneficiaries, or both. Income payments continue for the beneficiaries' lives or, in some cases, for a term of up to 20 years.

## CHARITABLE GIFT ANNUITIES

Charitable gift annuities provide a fixed payout as well as a partial tax deduction. In exchange for an outright gift, WMed agrees by contract to pay a fixed amount each year to you and/or another beneficiary for a lifetime stream of annual income.

## CHARITABLE REMAINDER TRUSTS

Charitable remainder trusts offer an attractive way to support WMed with benefits including the potential for increased retirement income, reduced income taxes, up-front capital gains tax avoidance, and providing for your heirs. With a remainder trust, WMed receives the remainder of the gift *after* your lifetime or a term of years.

*There are two basic charitable remainder trust types:*

### 1. charitable remainder *UNITRUSTS*

The unitrust pays you, each year, a variable amount based on a fixed percentage of the fair market value of the trust assets. The amount of your payments is redetermined annually. If the value of the trust increases or decreases, payments vary accordingly.

### 2. charitable remainder *ANNUITY TRUSTS*

The annuity trust pays you, each year, the same fixed dollar amount you choose at the start. Your payments stay the same, regardless of fluctuations in trust investments.





## other smart ways to give

### CHARITABLE LEAD TRUSTS

Freeze the taxable value of your appreciating assets by using them to make gifts today and pass them back to family members later. In contrast to a charitable remainder, a charitable lead trust makes an annual payment to WMed first for a period of years, and at the end of the term, the remaining assets go to your children or other beneficiary. Lead trusts can be an effective tool to help preserve family wealth by transferring assets to your children later on with a relatively small gift tax deduction rather than income tax deduction.

### IRA CHARITABLE ROLLOVER

If you are 70½ years old or older, you can take advantage of a simple way to benefit WMed and receive tax benefits in return. You can give up to \$100,000 directly from your IRA without having to pay income taxes on the money. Through an IRA charitable rollover, you are free to make annual gifts to our organization this year and well into the future.

### DONOR ADVISED FUNDS

Establishing a donor advised fund provides a convenient way to manage all your charitable giving in one simple fund. You can support a number of organizations—including WMed—and make contributions at any time with the benefit of a federal income tax charitable deduction.

### ENDOWMENTS

An endowment to WMed enables donors to give a gift that lasts forever. Cash, securities or other assets are invested toward specific programs or purposes as determined by the donor, then invested and maintained in perpetuity by WMed. With an endowed gift, the principal remains intact while annual investment income is used to generate growth and future funding. Endowments provide a lasting tribute to a named individual, family or group.



## **GIFTS OF REAL ESTATE**

Make a substantial gift to WMed through a transfer of residential, commercial or undeveloped real estate. A gift of real estate can be completed in a variety of ways:

- 1. make an outright gift**
- 2. give through your will or living trust**
- 3. donate your home but continue to live there with a retained life estate**
- 4. create a charitable gift annuity with property**
- 5. make a bargain sale**
- 6. fund a FLIP charitable remainder unitrust**
- 7. establish a memorial and endowment gift**

Depending on the method you choose, a gift of real estate to WMed may allow you to receive a charitable income tax deduction, reduce or eliminate capital gains tax, eliminate gift tax on the transfer, reduce the size of your taxable estate, and relieve the responsibilities and costs of upkeep.

## **GIFTS OF LIFE INSURANCE**

Life insurance death benefits can give you the opportunity to provide a greater benefit that may exceed the amount you might otherwise be able to donate. You are able to make a large endowment to WMed without depleting your current assets, and if structured properly, the charitable gift of insurance can result in an income, gift, and/or estate deduction.

*Please consult with your qualified tax and legal advisors.*