

PARTNERS FOR Tomorrow

Financial & Gift
Planning Ideas
for Friends
of SPCA
International



SPCA
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**GLOBAL
ANIMAL
RESCUE**

Spring 2018

Will the New Tax Law Change the Way You Give?

Recent tax law changes have left many with questions such as: How will the new law impact making my charitable gifts? What are now some of the most effective ways to make my gifts to SPCA International this year and in the future?

The answers to these questions will depend on your individual circumstances. Generally speaking, there are a number of positives in the law where charitable gifts are concerned:

- The charitable income tax deduction was preserved, and the amount a person is allowed to deduct was expanded for some.
- Fewer people will be subject to the federal estate tax than ever before.
- The tax advantages of giving from retirement plans and giving certain types of assets remain the same.

For example: If you are age 70½ or older, you can make tax-free gifts directly to SPCA International from your Individual Retirement Account (IRA). This is a tax-effective way to make charitable gifts—in any amount totaling up to \$100,000 per person per year—whether or not you deduct your gifts on your tax return. You can even count these gifts toward any amount you are required to withdraw each year.

Another example: Making gifts of stocks or mutual funds that have increased in value may be particularly attractive. When you give this way your tax deduction is based on the current value of the shares, not just the amount you paid for them. As an added benefit, no capital gains tax will be owed on the increased value. This also allows you to conserve your cash for other uses.

It's always best to discuss your circumstances with your advisors before making charitable gifts. If we can provide more information, in confidence and with no obligation, please contact us.



Protecting Your Digital Assets

As you make your estate plans, don't forget about your "digital life." According to new laws enacted in nearly all states over the past two years, you must explicitly (and in writing) grant your executor or trustee access to your digital assets in your will or trust (e.g. photos, important documents, emails, social media accounts and records of banking and retirement assets).

If you fail to do this, access to these accounts will be lost and courts will not allow anyone access. Here are some things to consider when making your plans:

- Make a list of all your digital accounts, including usernames and passwords, and keep it with your

legal documents—in a safe deposit box or with your attorney—and make sure your executor is aware of the location.

- Include wording that grants your executor access to your digital assets in a Durable Power of Attorney in case you become ill or are unable to access the files.
- Update your list annually if you add a new account or change an existing one.

Highlights of the New Tax Law

- The amount of charitable gifts you are allowed to deduct was expanded from 50% to 60% of one's adjusted gross income (AGI). Any excess deduction may be carried forward to provide savings for up to another five years, offering tax savings in as many as six years for a single gift.
- The standard deduction was doubled and will result in decreased taxes for many Americans, leaving more income from which to make charitable gifts.
- For higher-income taxpayers, a provision was repealed that previously required them to partially reduce their itemized deductions.



Giving from the Heart

Honoring a loved one through charitable gifts is often an especially meaningful way of paying tribute to someone special. Memorial and tribute gifts to SPCA International allow you to thoughtfully remember family members, a beloved pet, colleagues and friends who have been an important part of your life.

Gifts made in honor of others at times such as Mother's Day or Father's Day; a pet's birthday; at the birth of a child or grandchild or an anniversary, retirement or other notable occasion can show how much you truly care.

Here are some ways to make your gifts in honor of others:

1. **Make a gift of cash:** A gift of cash—either online or by mail—is one of the most popular methods to make a memorial gift. Such gifts are convenient and can be tax deductible.
2. **Make a gift using noncash property:** Memorial gifts may also be funded with assets such as stocks, bonds and mutual funds that have increased in value. You not only receive regular tax savings, but you entirely avoid the capital gains tax on qualified assets given for charitable use.
3. **Leave a legacy:** Many discover that their long-range estate and financial plans provide a thoughtful way to make memorial gifts in honor of others and continue your support of SPCA International in the future. See Page 4 for some ideas.

More information

If we can provide more information about making a memorial or honor gift, please contact us.



For more information about creative ways to make SPCA International a part of your legacy, visit our website at www.spcai.givingplan.net.

Three Ways to Give Through Your Will or Trust

A gift made through a will or trust is an ideal way for individuals to secure the future of SPCA International.

The residue

If you do not wish to specify the exact size or nature of your gift (often the size of a future estate is difficult to estimate), you might consider naming SPCA International as a **residual beneficiary** of your estate. You may provide that all, a specific amount or a percentage of the remainder of your estate be given to SPCA International after other specific bequests have been fulfilled.

A percentage

To be sure your charitable gifts will remain in proportion to other bequests, you can designate in your will that a **specific percentage** of your estate be given to SPCA International.

A specific gift

Of the many ways to give to SPCA International through your will, a gift of a **fixed dollar amount** is the simplest. Securities, real estate and personal property can all be given through a will.

If we can provide more information to you or your advisors, confidentially and with no obligation, please contact us at the number below or return the enclosed card. You can also visit our website at spcai.givingplan.net.



Sample Bequest Language

Many of our friends choose to include SPCA International in their wills or other estate plans. Below is some suggested wording to take to your attorney to ensure your wishes are followed.

“After fulfilling all other provisions, I give, devise and bequeath ____% of the rest, residue and remainder of my estate [or \$____ if a specific amount] as a charitable contribution to SPCA International, Federal Tax ID #87-0773320, 242 West 30th Street, Suite 1503, New York, NY 10001.”

The purpose of this publication is to provide general gift, estate, and financial planning information. It is not intended as legal, accounting, or other professional advice. For assistance in planning charitable gifts with tax and other financial implications, the services of appropriate advisors should be obtained. Consult an attorney for advice if your plans require revision of a will or other legal document. Tax deductions vary based on applicable federal discount rates, which can change on a monthly basis. Some opportunities may not be available in all states. © Copyright 2018 by Sharpe Group. All Rights Reserved. NWX-18

CONTACT US:



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