

PARTNERS FOR Tomorrow

Financial & Gift
Planning Ideas
for Friends
of SPCA
International



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**GLOBAL
ANIMAL
RESCUE**

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Timing Is Everything

We are all familiar with the old adage “A stitch in time saves nine.” There are many areas in life where considerable time and expense can be saved when critical issues are addressed in a timely fashion.

This is especially true in long-range financial and estate planning. It is not unusual for people to spend the better part of a lifetime working diligently to accumulate a nest egg while failing to invest what may be just a few hours to make sure these assets are well-managed and ultimately distributed as they desire.

Believe it or not, studies reveal that more than half of all Americans do not even have a valid will, much less other plans to help guide the management and distribution of their assets.

It is easy to understand why many choose to put off planning. There are, however, predictable and almost certain costs associated with the failure to plan. Without adequate plans in place state and federal laws will be applied which involve all-purpose plans with no consideration of minimizing expenses. It will be pure luck if these plans reflect your wishes.

Failure to plan

In this issue of *Partners for Tomorrow* we outline some simple steps you can take to help you take control of the planning process as well as a “quiz” to see if any existing plans you may have are up to date.

We hope you find this information to be helpful as you plan for your future well-being and that of your loved ones.



INSIDE

- A Guide to Effective Planning
- Does Your Estate Plan Pass This Test?
- A Legacy of Care

A Guide to Effective Planning

One of the most important parts of estate planning is taking the first steps. An effective way to start is outlining your plans on paper. By writing out a thoughtful summary of your wishes, you can save expenses, too. Your attorney can prepare your will and other plans more quickly when working from instructions you provide.

Keeping in mind the “**4 Ps**” of estate planning may be a helpful starting point.

1. First, list the names of the **people** for whom you want to provide. They might include family members such as a spouse, children, and grandchildren as well as close friends and employees.
2. Second, make a list of your **property** and how you own it. In addition to cash and investments, note other property such as real estate, stocks, automobiles, life insurance policies, retirement plans, jewelry and collections of value. Estimate the dollar value and cost of each asset, along with any income it produces.

3. The third “P” will be your **plans** for matching people and property. List which property you would like each person to receive. A number of people choose to include charitable gifts as part of their plans. Many tools have been developed for use in transferring property during lifetime and as part of your estate.
4. Finally, list the **planners** who will help you put your plans in effect. An attorney should draft legal documents.

The next step

You are now ready to meet with the person or persons you choose to coordinate the implementation of your plans. A draft of these plans should be prepared by a professional and carefully reviewed by you and perhaps one or more loved ones.

Once all details are settled, your will and related documents are ready for signing.

Another Important “P” to Consider

You can provide for your **pet** after your lifetime through a pet trust. The assets in the trust can be used for anything related to the care and well-being of your beloved animal, such as special food and their favorite toys and treats to veterinary bills and other expenses. While most states permit some form of a pet trust, details and limitations vary. Check with your attorney about the laws of your state.



Does Your Estate Plan Pass This Test?

The goal of estate planning is to outline your wishes about your property and how you would like to distribute it in the future. Are you certain that your plans are up to date? Take this quiz to find out.

1. Do you have a will or living trust to direct the distribution of your property?

Yes No

2. Is the makeup of your family the same as when you last reviewed your plans?

Yes No

3. Do you live in the same state as when you last updated your will and/or other plans?

Yes No

4. Has the value of your assets remained the same since you last reviewed your plans?

Yes No

5. Are all your loved ones and charitable organizations important to you mentioned in your plans?

Yes No

6. Is the person you have named to settle your affairs still able and willing to serve?

Yes No

7. Are your insurance and/or retirement plan beneficiary designations up to date?

Yes No

8. Have you made provisions for what will happen to your digital assets? (e.g., photos, emails, music or e-books stored electronically?)

Yes No

If you answered **No** to one or more of these questions, you may need to review your long-range plans. Your professional advisors can offer advice and help with any updates you might need.



Make Your 2018 Gifts from Your IRA

For those who are 70½ and older, you can give directly to SPCA International from your IRA completely free of federal, and perhaps state, income tax (up to a total of \$100,000 per person per year; a couple can give up to \$200,000). Giving directly from your IRA won't increase your adjusted gross income and possibly subject your Social Security or other sources of income to a higher level of taxation. Your gift may count towards your required minimum distribution too.

A Legacy of Care

Including a charitable gift to SPCA International in your long-range estate and financial plans can be a wonderful way to perpetuate your support of our work in the future.

The most widely used method for making a legacy gift is through a will, living trust or other long-range estate plan. It's also a simple process to name your charitable interests as a beneficiary of a retirement plan.

For example, you can:

- Give all or a portion of the **“residue” of your estate**; i.e. the property remaining after all distributions to family and others have been satisfied. See the box below for sample language.
- A **memorial gift** can serve as an enduring and loving tribute to one or more individuals while supporting SPCA International.
- Give a **percentage of your estate**, thereby allowing gifts to increase or decrease depending on the value of the assets remaining.
- Name SPCA International as a beneficiary of **“what’s left” in your retirement account**, pension plan, or other vehicle for saving for retirement.

With proper planning, you can provide for the future financial security of your loved ones first. Then, you can ensure your support of SPCA International continues for many years to come.

For more ideas, visit www.spcai.givingplan.net or return the enclosed card.



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

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