

# PARTNERS FOR Tomorrow

Financial & Gift  
Planning Ideas  
for Friends  
of SPCA  
International



**SPCA**  
INTERNATIONAL

**GLOBAL  
ANIMAL  
RESCUE**

Fall 2013

## Why Not Speak for Yourself?

**T**raditionally, Americans hold dear the right to speak their minds. It may be surprising, then, that over half of all Americans do not have valid wills, the most well-known method of recording wishes regarding the future distribution of their property.

### What happens without a will?

When a person passes away without a will or other legal arrangement in place to distribute property, state laws take over. Added administration costs, delays and arbitrary distributions of property can result.

These problems can be easily avoided, however, by simply making the decision to speak for yourself through a will.

### Formalize your wishes

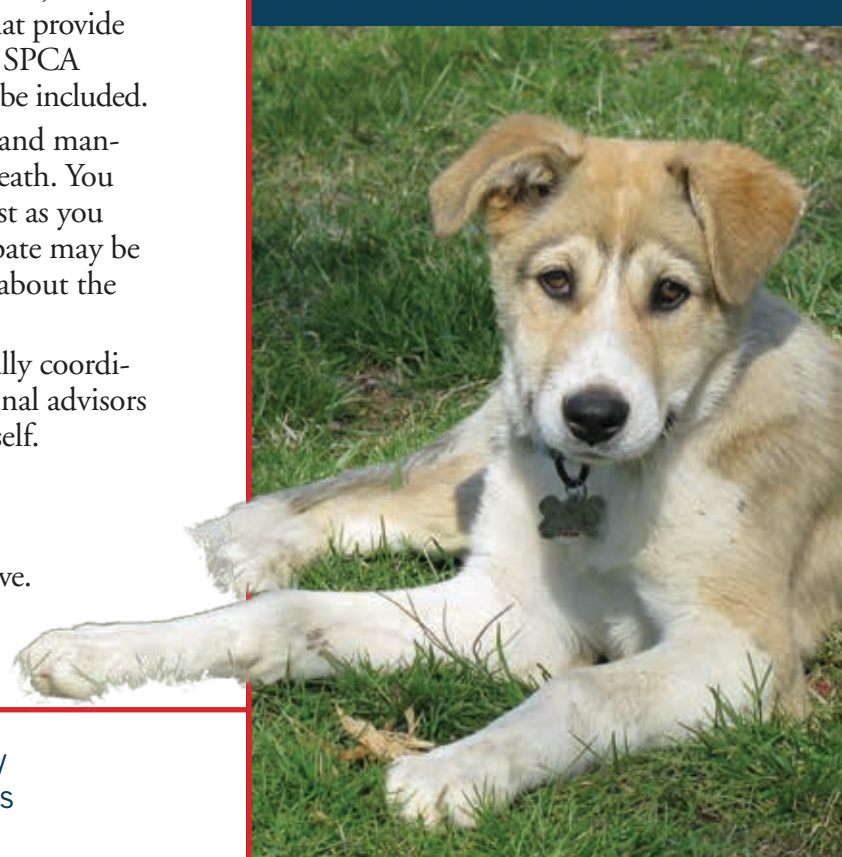
Your will can direct outright distributions of cash, stocks, real estate and personal property. It may also contain trusts that provide for management of property for heirs. Charitable gifts to SPCA International and your other charitable interests may also be included.

You may also choose to create a living trust to hold and manage property during your life as well as distribute it at death. You can make virtually the same distributions through a trust as you can through a will, including charitable gifts. Also, probate may be avoided, and your privacy is maintained. To read more about the probate process, turn to Page 3.

Provisions of a will and living trust should be carefully coordinated if you have both. Your attorney or other professional advisors can help you make plans that ensure you speak for yourself.

### More information

We are available to answer any questions you may have. Please don't hesitate to contact us for more information without obligation.



## INSIDE

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- Breaking down the probate process

# Where There's a Will, There's a Way

## IRA Gifts Are Back

As part of the American Taxpayer Relief Act of 2012 (ATRA), you can once again make tax-free gifts in 2013 directly from a traditional or Roth IRA. You are allowed to direct that all or a portion of your mandatory withdrawal amount (or another amount up to \$100,000) be used to make gifts to SPCA International on a totally tax-free basis. Check with your plan administrator or other advisors for more information on how to make gifts in this way.

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. ©MMXIII RFSCO, Inc. All Rights Reserved. NWX-13

**T**he last will and testament is by far the most familiar method of distributing a person's property. For this reason, it is important to realize both what a will can do, and what it should not be expected to do.

Wills can often be most effective when used in combination with other legal arrangements. A complete estate plan will generally allow you to accomplish your wishes for yourself and heirs within or outside your family.

### What your will *can* do

- Allocate property not distributed via other legal arrangements.
- Set up trusts to manage property for heirs.
- Recommend guardians for loved ones who may need care.
- Make a public record of your wishes.
- Make charitable gifts from your estate.

### What your will *can't* do

- Distribute property such as homes, bank accounts, automobiles and any other assets that are owned jointly with another.
- Name a beneficiary for life insurance proceeds or retirement plan benefits. Unless your estate is named beneficiary, those proceeds pass outside of the will.
- Manage property during your lifetime. A will takes effect upon the death of its maker. Joint ownership, life insurance

and legal instruments, such as trusts, may be used

in combination with a will. All can include charitable gifts, often to be made only when funds are not needed by you or your heirs.

### More information

With the help of your attorney and other professional advisors, you can decide on the estate planning tools that best meet your needs. For more information or if we can help in any way, return the enclosed card or contact us.

100+ Abandoned Dogs of Everglades Florida is one of the community-based rescue groups we support with monetary grants.





# Breaking Down the Probate Process

**K**nowing something about what happens to a person's property during the probate process can help you make estate settlement as smooth as possible for loved ones. Your attorney or other advisors can elaborate on the rules in your locality.

## Distributing assets

After payment of the estate settlement expenses (including executor and other fees), any debts owed by the deceased and state and federal death taxes which may be due, the remaining assets are distributed to individuals and charitable organizations as the will provides.

In the absence of a valid will, the probate court must follow rigid state law requirements for distribution of property. Heirs will receive amounts according to formulas that do not take into consideration how needs of loved ones may differ, and no charitable gifts are possible under these rules.

Assets held in the form of jointly owned property, life insurance, trusts and retirement plans will typically pass outside the probate process, but may still be subject to estate taxes.

## Estate Planning Dictionary

**Administrator**—A person appointed by the court to handle an estate when an executor or executrix (see below) is not named in the will or is unable to serve.

**Bequest**—A gift by will or living trust.

**Codicil**—An addition or amendment to a will. (Charitable bequests to SPCA International can be added to wills via codicils.)

**Executor** (male) or **Executrix** (female)—Often called **Personal Representative**. The person you appoint in your will to pay debts and distribute property according to the terms of the will.

**Laws of descent and distribution**—State laws that direct the distribution of property when a person dies without a valid will or other legal arrangement.

**Probate**—The judicial process of settling claims against an estate and transferring property passing through a will.



The Operation Military Pets program is going strong. With hundreds of applications received and over 39 grants processed, there continues to be an urgent need for support.



In November 2012, the SPCA International team journeyed to Thailand to work with local partner, the Soi Dog Foundation, to provide thousands of dollars in medical supplies, repairs to critical fencing at shelters damaged by the floods and spay and neuter efforts to prevent more unnecessary suffering.

## Seek Expert Advice

**A** will is one of the most important legal documents you can create. With a will, you can pass on your property according to your wishes, provide for loved ones and friends and remember SPCA International.

You should seek the services of an attorney whose practice is devoted to estate planning when drawing up or revising an estate plan. If you do not have an attorney, ask friends or relatives or your local bar association for recommendations.

Because state laws govern wills, trusts and certain other methods of transfer, it is advisable to retain an attorney who practices in the state where you legally reside. In addition, your accountant may be uniquely equipped to suggest ways to plan for greatest tax savings.

When trusts or other financial management vehicles are in use, a bank trust officer plays an important role. A life insurance professional, real estate broker, financial planner and investment counselor may also be excellent sources of information and assistance needed to form the best overall estate plan.

Discuss fees with your planners in advance; they expect this. Then carefully consider their suggestions to help put your plans into action. Once your plans

are in place, regular reviews will assure that your wishes are kept up to date.

Always consult your advisors if you believe changes are in order. It is usually not wise to attempt to make changes yourself as you may invalidate an entire will, trust or other document.

### 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 all 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 #1001, New York, NY 10001."

## CONTACT US:



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