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Planning for the “What Ifs” in Life

We have all played the “what if” game at some point in our lives. As children, the game might have been “What if I were a superhero?” As an adult, we might think about “What if I had a million dollars?” The “what ifs” can be fun when our imagination has a part in answering the question.

But there are also “what ifs” that can be more serious in nature. For instance, “What if the stock market declines?” or “What if I need to care for a family member?” These kinds of uncertainties can often be managed with organization and planning.

No will?

Another important question to think about—and many of us should—is “What if I don’t have a will?” Here are some sobering answers to that question:

- No person outside your family can receive your property.
- Family members receive predetermined shares of your assets, regardless of need.
- No charitable organizations or institutions can receive any of the property you may have intended for them.

Think of your will as a guide for the eventual settlement of your estate. A thoughtfully written will, prepared in consultation with a qualified attorney, distributes property to those you wish to provide for, in amounts or percentages you determine. It also allows you to make gifts to family, friends and charitable interests.

Additionally, a will makes it possible to distribute your assets according to the individual needs of heirs. You can leave specific amounts to some people and have others share in the remainder of your estate.

More information

Read on for more information on ways you can use your will and other estate plans to balance the needs of your loved ones with your philanthropic goals.



The “5 Ps” of Effective Planning

One of the most important parts of efficient estate planning is taking the first steps. Putting your plans in the form of an outline can be a good way to start. Committing your goals to paper can make them more manageable.

Writing a thoughtful summary of your wishes can save expenses, too. Your attorney can prepare your will and other plans more quickly when working from a “blueprint” you provide.

Keeping in mind the “5 Ps” of estate planning may be a helpful starting point.

People and Pets: First, list the names of the people for whom you want to plan. They might include family members such as a spouse, children and grandchildren as well as close friends and employees. Then, list the names of any pets you need to provide for.

Property: 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.

Plans: The next “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 to SPCA International as part of their plans.

Many tools have been developed for use in transferring property during lifetime and as part of your estate.

Planners: Finally, list the planners who will help you put your plans in effect. An attorney should draft legal documents and assist you with the best ways to provide for your pets in your plans. (See Page 3.) Your accountant, bank and life insurance professionals, investment advisors and representatives of charitable institutions and organizations you wish to remember may also take part.

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.

SPCA International has been working with a rescue group in Spain to stop the practice of abusing and killing greyhounds.

We were honored to be asked to speak at the Congress of Deputies in March about outlawing the hunting of greyhounds and establishing a national humane education program.



Planning for Your Pet's Future

When making plans for the future financial well-being of our loved ones and others we care about, people often consider a number of obvious beneficiaries: spouses, immediate family, close friends and employees and their charitable interests. However, a very important member of many American families is often left off this list: the family pet.

Pets are very dear to us and have a special place in our hearts, so it is important to make sure that they are cared for after you are gone. Here are a series of questions to consider when putting your plans in order.

Q: Do people include their pets in their estate plans?

A: Yes. As of 2012, 68 percent of U.S. households had a pet. Almost 10 percent of cat and dog owners had made provisions to provide for their pets in the event of their death or significant illness. This percentage represents a substantial increase from previous years.

Q: Can I name my pet as a beneficiary in my will?

A: Unfortunately, no. State laws treat pets as property. Therefore, one must leave money or other assets to a caretaker who will look after the pet. It is important to name someone you trust to assume that responsibility. However, there is no legal obligation for the person you name to use the money to care for your pet.

Q: Is there another way to make sure that my pet is cared for?

A: You can provide for your pet through what is known as a “pet trust.” Much like a trust established for the care of a minor child, the trustee you name is legally obligated to act in the animal’s best interest and make sure your desires for your pet’s future care are met. It’s also a good idea to name an alternate in case the original caretaker is unable to serve.

Q: What are some of the things having a pet trust will ensure?

A: The assets you leave in the trust can be used for anything related to the care and well-being of your animal. From food and treats to veterinary bills, your pet trust will ensure that your pet is taken care of in the ways that you specify.

Q: How can I ensure that my pet is properly taken care of if I am not able to give directions personally?

A: Create a “Pet Care Plan.” This will detail everything from your pet’s medical history to the specific type of food they require. In this plan, you can include important information such as veterinarian name(s) and medical history, pet sitters, groomers and other service providers. You can even include your pet’s habits, likes and dislikes. Anything that you believe will ensure your pets receive the right care and attention should be included.

Q: Are pet trusts the same in all states?

A: No. While the majority of states permit some form of a pet trust, details and limitations do vary. It is best to check with your attorney about local laws.

Q: What happens to the trust in the event of my pet’s eventual death?

A: Anything that remains in your pet trust could be used to further fulfill your wishes for your estate, such as benefitting a favorite charity or passing to family members or other such beneficiaries.

Pets give us so much joy and love in our lives and are valued members of our family. It is important to ensure that they are taken care of when we can no longer do so ourselves. Planning for their future can give us peace of mind and comfort that is priceless.



Five Myths about Wills and Estate Plans

Myth: Only wealthy people need an estate plan.

Fact: If you have any property at all, you need to plan carefully...even if your estate is modest, your heirs few and your wishes simple. Protecting a small estate is important because settlement delays and confusion usually mean more expense where it may be least affordable.

Myth: Only someone with dependents needs to make plans for the distribution of assets.

Fact: Even someone with no dependents needs an estate plan if he or she has any property at all and wants to decide who receives it. A will can sometimes cut delays and probate costs, waive certain expenses and help reduce taxes.

Myth: When a person dies without a will, state law usually distributes their property in about the same way they would have.

Fact: Since there is no way for the state to know someone's wishes, it distributes property according to an all-purpose plan. Generally children receive equal amounts, and no provisions are made for gifts to friends or charitable interests.

Myth: A good estate plan, professionally made, rarely needs revision.

Fact: Periodic reviews are advisable since so many changes occur throughout life. Children grow up. Estate values can increase or decrease. Tax laws change. Charitable desires may alter over time.

Myth: Charitable bequests come mainly from people who have no close relatives or whose estates are so large that there is plenty left over.

Fact: People with modest estates often discover they can give meaningful gifts and still arrange generous provisions for dependents and loved ones.

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. ©MMXIV RFSO, Inc. All Rights Reserved. NWX-14



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 #1001, New York, NY 10001."

CONTACT US:



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