

The *Heritage Circle*

All charitable gifts, including your life insurance plan, will directly benefit the programs and services of Emmanuel Community. You'll then be part of our *Heritage Circle*, a group established to recognize and honor during their lifetime those who have included us in their estate plans. **There is no minimum gift size to join *Heritage Circle*.**

We hope you will consider making us a beneficiary of your retirement plans and will tell us about it. If you already have done so, please let us know so we may immediately include you in this very important group of friends.

We are happy to honor requests to remain an anonymous member of the *Heritage Circle*.

Legal Name

Ecumen Foundation doing business as Emmanuel Foundation

Legal Address

1415 Madison Avenue
Detroit Lakes, MN 56501

Federal Tax ID Number

41-1606713

For more information on how to make charitable gifts from your qualified retirement plan, please contact:



Janet Green
Executive Director
Emmanuel Community
1415 Madison Avenue
Detroit Lakes, MN 56501
218.847.4486
janetgreen@ecumen.org

Emmanuel Community is a member of the Ecumen family of senior housing and services



Judith Moore Goff
Charitable Gift Planner
Ecumen
3530 Lexington Avenue North
Shoreview, MN 55126
1.800.221.1507. 651.766.4349
judithgoff@ecumen.org



Retirement Plans as Charitable Gifts



The information in this brochure is not intended as legal advice. Please confer with your legal or financial advisor before taking any action based on this information.



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Retirement Plan Potential for Charitable Giving

Millions of Americans have created retirement accounts such as IRAs, 403(b)s or 401(k)s. These plans allow people to delay payment of taxes on money saved for future use. The retirement funds then grow tax-free until the time of withdrawal. Such plans are a very popular way to help secure one's financial future and that of their loved ones.

Did you know that retirement plan assets make a great gift to charity?

While such assets are often overlooked as potential charitable gifts, they can be a convenient, tax-favored giving option for charitably-minded individuals. This is because retirement plans grow on a tax-deferred basis, so they generally have significant tax burdens when left to heirs other than spouses. Since charities do not pay taxes, retirement plan assets can be accepted at their full value, without any tax liability.

Q. How do I make a charitable gift from what might be left in my retirement plan?

A. It's a simple process. Just ask the administrator of your plan for a "Change of Beneficiary" form. You may name individuals or charities as beneficiaries of your funds. There usually is no charge to change beneficiaries.

Q. How can I give retirement plan assets to a charity and still have something for my heirs?

A. Any funds remaining in your retirement will become part of your estate for federal tax purposes. Non-spouse heirs will have to pay significant income taxes on your retirement funds. But, if you designate your retirement fund balance as charitable gifts, no federal estate or income taxes will be due on them. Other assets, which have lower tax obligations, such as appreciated securities or property, should be left to family and friends.

Q. Do I have to leave my entire retirement fund balance to charity?

A. No, you may stipulate that either a specific amount or percentage goes to heirs first, with the remainder designated to charity. Or, you may make charities the "contingent" beneficiaries, receiving the funds only if your heirs don't survive you.

Q. Can I leave my retirement assets to more than one charity?

A. Yes, there is no limit to the number of beneficiaries, charitable or individual, you may designate. And, you may designate varying amounts or percentages to each charity or individual.

Q. Can I make charitable gifts from my plan now?

A. Yes, if you are over 59½, you can make charitable gifts now. You may make withdrawals from your account without incurring a penalty. Although

you must report the withdrawal amount as income for tax purposes, there usually is an offsetting charitable deduction you may declare.

If you are over 70½, you must make withdrawals. If you do not need those funds for daily living, you may use all or a portion of the required withdrawal for charitable gifts. Though you will pay taxes on the amount withdrawn, your charitable donation will allow you to take an additional tax deduction to help reduce your taxes.

Q. Is there a limit on how much I can give to charity from my retirement account each year?

A. No, but keep in mind that the withdrawals add to your adjusted gross income (AGI) and deductions for charitable gifts are limited to 50% of your AGI. You may wish to discuss this with your financial advisor to ensure you can maximize your charitable giving without incurring additional taxes.

Q. Does my Roth IRA qualify in the same way?

A. No, because your Roth IRAs are funded with after tax dollars, they won't carry additional tax burdens to beneficiaries after your death. Therefore, if you have a Roth IRA, consider leaving it to your heirs.