



Trinity College
HARTFORD CONNECTICUT

Gifts of Retirement Assets



A tax-wise way to give

Did you know you can create a legacy at Trinity College without changing your will or parting with any assets now? You can designate Trinity as a beneficiary of your retirement accounts and benefit from one of the most tax-wise ways to support the College.

Making a gift of retirement plan assets, IRA's, 401(k), 403(b), and other qualified plans, is easy to do. You do not need to modify your will or living trust. You can name Trinity College as the sole beneficiary or as one of several. This allows you to make a gift while still providing for family members or other loved ones. At your passing, the designated portion of funds will be paid to Trinity College in a lump sum, completely tax free. In the meantime, the funds remain available to you should you need them to meet your own needs, and, if family circumstances change, you can adjust the portion allocated to Trinity College.

Besides tax savings, a gift of retirement assets has other advantages:

- It is easy to arrange. You simply request a beneficiary designation form from your plan administrator, and name the Trustees of Trinity College as a beneficiary. There is no need to change your will or living trust.
- You can designate Trinity College as beneficiary of whatever portion you choose. For example, it might be 10 percent or 35 percent of the account. If you have otherwise provided for heirs, you could leave the entire balance to Trinity College.
- The gift is revocable. You retain full control of your retirement funds should you need them, and you can change beneficiaries at any time.

Taxation of retirement plan assets

Retirement assets are considered ‘non-probate assets’ and generally pass outside of the will or living trust. However, they are still considered to be a part of an individual’s estate and the fair market value of these assets, along with all other estate assets, will be subject to possible state and federal estate taxes.

Every dollar your heirs receive (other than your spouse) from retirement accounts would be subject to income tax (unless the distribution derives from a Roth IRA). Depending on the size of the estate, retirement funds, like other estate assets, may be subject to estate tax. However, distributions from retirement accounts to a charity are subject to neither income tax nor estate tax.

Example of using an IRA to make a gift

Option 1

Give \$250,000 from your general estate assets to Trinity College and the IRA to your children.

Income tax savings	\$0
Net cost of gift	\$250,000

Option 2

Give the IRA to Trinity College and other assets to your children.

Estimated income tax savings (assuming a 35% combined federal and state tax rate for the children)	\$87,500
Net cost of gift (\$250,000 - \$87,500)	\$162,500

General rule: Upon death, it is better to make charitable gifts with IRAs and qualified retirement funds and give other assets such as cash, securities, and real estate to heirs.

Outright gifts of retirement assets

If you are over 59 ½ years of age, you might also consider an outright gift from your IRA or 401(k) or 403(b) plan. While the withdrawal will typically be a taxable event, your charitable deduction would offset the taxable income, provided you itemize your deductions and can claim the full deduction in the year you make the gift.

“ This is an easy way to provide for Trinity in the future. I encourage everyone to think about the organizations that have helped them throughout their lives and to support them by setting aside a portion of their estates for those organizations. ”

— Penny Sanchez '77

Make a tax-free gift with an IRA Qualified Charitable Distribution

You can make a tax-free gift from your traditional IRA (other qualified retirement plans such as 401(k)s and 403(b)s are not eligible). You must be at least 70 ½ years old to take advantage of this opportunity. The amount transferred to Trinity and/or other charities will count toward your annual minimum distribution requirement. In order to qualify, you must transfer your gift directly from your IRA administrator to Trinity College. The total of all of your rollover gifts in any one year cannot exceed \$100,000 per person. A spouse with a separate IRA could also make a rollover gift of up to \$100,000 if they otherwise qualify.

NEXT STEPS:

To receive further information and assistance on gifts of retirement plan assets, or to learn more about how your gift can help Trinity College, please contact Linda Minoff.

- call **(860) 297-5353**
- email **linda.minoff@trincoll.edu**

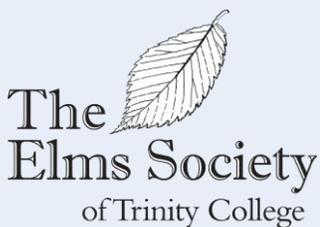
* Exceptions to the possible double-taxation include distributions from a Roth IRA or distributions attributable to contributions of after-tax dollars to other types of IRA. Because everyone's situation is different, we encourage you to seek professional legal, estate planning, and financial advice before deciding on a course of action. This information does not constitute legal or financial advice and should not be relied upon as a substitute for professional advice.



By supporting Trinity College with your philanthropic donations, you are helping us prepare students to be bold, independent thinkers who lead transformative lives.

Linda Minoff
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Trinity College
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**ESTATE COMMITMENT NOTIFICATION
(CONFIDENTIAL)**



The Elms Society was created to recognize and thank alumni, family, and friends who have included Trinity in their estate plans or made a planned gift to Trinity.

The College honors the generosity of members through special recognition and invitations to events.

The details you provide here remain completely confidential and not legally binding.

Name(s) _____ Class _____

I am pleased to join The Elms Society based on the following (check all that apply):

- Bequest (estimated dollar amount or percentage)* \$_____/_____%
- Charitable Remainder Trust (estimated dollar amount)* \$_____
- Retirement Fund designation (estimated dollar amount)* \$_____
- Donor-advised Fund (estimated dollar amount)* \$_____
- Life Insurance (dollar amount) \$_____

I wish my gift to be listed as an anonymous gift from a person in my class.

Apart from myself, the gift to Trinity will come into effect after the life (lives) of:

Name _____ Relationship _____ DOB _____

Name _____ Relationship _____ DOB _____

I/we would like this gift to support:

- Trinity's greatest needs as determined by the Board of Trustees (unrestricted)
- Existing scholarship fund _____
- Department or program _____
- Please contact me to discuss how my gift could be used.

My contact information is shown below:

Telephone: _____

Email: _____

Trinity College Tax ID

06-0646927

Please return this form to:

Office of Gift Planning
Trinity College
300 Summit Street
Hartford, CT 06106-3100
860-297-2006

Signature

Date

Signature

Date

Thank you for your support of Trinity College. For more information, please contact giftplanning@trincoll.edu or visit www.trincoll.edu/legacy.

**We understand that assets fluctuate. Please provide a conservative estimate of today's value.*