

REDUCE YOUR ESTATE TAXES WITH A CHARITABLE BEQUEST

WHEN PLANNING A CHARITABLE BEQUEST TO ARKANSAS TECH UNIVERSITY, DETERMINE THE TAX DEDUCTION FOR THE GIFT AND ITS IMPACT ON YOUR ESTATE TAXES.

Are you planning to make a charitable bequest? If so, you should heed some simple guidelines that will help ensure that your gift will qualify for a charitable estate tax deduction.

In many ways, federal estate tax rules parallel income tax rules, but with this favorable difference: There are no maximums on the dollar amount of the charitable deduction. You can leave your entire estate to a qualified charitable organization and your estate won't pay a penny of tax.

A *qualified* charitable organization is any religious, charitable, scientific, educational or other nonprofit organization meeting the requirements defined in Section 501(c)(3) of the Internal Revenue Code. We are one such organization.

Be Aware

Circumstances can affect the deductibility of your bequest.

Conditional bequest.

There is no deduction allowed for a charitable bequest that is conditional if there is a real possibility that the charitable organization cannot meet the condition. To avoid any difficulty with your bequest to us, talk with our planned giving staff to be sure we can carry out your wishes.

Discrimination. A bequest to an organization that practices some form of discrimination can trigger disallowance of the estate tax charitable deduction. By using the services of an attorney who specializes in estate planning, you ensure

that any charitable bequests will meet deductibility tests.

Our professional staff can assist you and your attorney in designing a bequest to Arkansas Tech University. ■



A charitable bequest gives you the freedom to give what you want. In addition, you will receive important tax advantages that will enhance the value of your estate and your gift to your heirs.



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VISIT OUR GIFT AND ESTATE PLANNING WEB SITE!

- **ACCESS** a complete source of ideas and information on estate planning and charitable giving.
- **DISCOVER** how charitable donations can provide payments for yourself and your loved ones.
- **CALCULATE** your benefits with our online gift calculator.



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HERITAGE

A FINANCIAL & CHARITABLE PLANNING GUIDE

LOYALTY AND LOVE FOR TECH—THEIR SECOND FAMILY

ASK RICK AND HARRIET THONE WHAT ARKANSAS TECH UNIVERSITY MEANS TO THEM AND THEY WILL TELL YOU THEY THINK OF TECH AS THEIR SECOND FAMILY.

When they married in 1971, Harriet was a sophomore and Rick was at Tech on a football scholarship. Rick excelled academically, even being named to *Who's Who*. His athletic careers in football and baseball earned him the distinctions of All-American football player and honorable mention for All-American baseball. He was professionally scouted by several organizations and became a Wonder Boy Football Coach.

Harriet grew up with Tech. Her grandfather Walter Lewis Hood; father, Jack Burns; and brother Mark Burns all either played or were fans of Tech football. Harriet's affiliations with Tech include student, Freshman Homecoming Court (following in the footsteps of her mother, Betty Hickem), Brown Hall

Freshman Sweetheart, alumna, coach's wife, dorm mother at Brown Hall, and ultimately appointed to the Arkansas Tech University Board of Trustees.

The Thones have been honored with numerous prestigious appointments over the years from Govs. Clinton and Huckabee. But, their most coveted are those that have allowed them to give back to Tech. Rick says that as former Chairman of the Board of Trustees and in his other roles, he has always enjoyed getting together with his lifelong friends and his parents' friends. For Harriet, serving on the Board of Trustees with lifetime close friend



Harriet and Rick Thone honor their many connections to Arkansas Tech through service and charitable giving.

Terry (Tucker) Rothwell was "like a dream come true."

As they have traveled the world for business and pleasure, they frequently meet others who have Tech connections. Most recently, the Thones have shared their loyalty and love for Tech by successfully co-chairing the Return to Glory Campaign—Tech's *first* capital campaign. ■

BEQUESTS AND MEMORIALS— A Legacy for All Time

BEQUESTS OR MEMORIALS DIRECTED TO ARKANSAS TECH UNIVERSITY PLAY A MEANINGFUL ROLE IN MEETING OUR MISSION. BUT MORE IMPORTANT, THEY DEMONSTRATE YOUR SENSE OF PHILANTHROPY.

While an estimated 70 percent of all U.S. households contribute to one or more charitable organizations each year, the number of people leaving a bequest or a memorial in their will hovers at a mere 8 percent. These types of charitable giving opportunities allow you to honor your name and your family's name and to be associated forever with a favorite cause—while reaping significant tax benefits in the process.

A properly planned bequest can even result in a larger estate passing to your noncharitable beneficiaries. Plus, capital gains taxes are not incurred on bequests of appreciated property gifts.

State tax laws do vary from state to state, however. It is recommended that you seek professional advice on the tax benefits of making a bequest or a memorial. But regardless of the tax implications, this form of philanthropy lets you leave a lasting legacy and offers tremendous benefits in personal satisfaction.

Bequests

Bequests are simply gifts made through a will to provide long-term support for

Your gift will leave a lasting impression in our community.

your favorite charitable organization(s).

Let's assume that you have decided to make a bequest and you have chosen Arkansas Tech University as your beneficiary. There are several options to consider.

Specific bequest.

Here, you give a specific dollar amount or a specific asset from your estate, such as stocks, bonds, real estate, antiques, art, mutual fund shares, etc.

Residuary bequest.

This directs that either all or a percentage of your estate's residue—what's left after the other terms of your will have been satisfied—be paid to our organization.

Contingent bequest. This option designates that we receive all or some of your estate dependent on a specific condition. For example, you might state that we will receive the residue of your estate only if your spouse does not survive you.

Restricted bequest. You may wish to restrict your bequest for a specific purpose or to support a specific program.

Bequests provide you with a number of avenues for charitable giving, though each avenue delivers you to the same



What better way is there to be remembered than by leaving a legacy to your community that says, "I care"?

destination: a legacy that defines your personality and commemorates your life.

Memorials

A memorial honors and preserves the memory of a family member or loved one through your contribution to a favorite group, organization or institution. Memorials often originate in wills, but they can also be made at any time during your life or at any time during the year.

In fact, think of all the special days of the year—Thanksgiving, Mother's Day, Father's Day, religious holidays, anniversaries, weddings, graduations, birthdays and more—that are worthy of your memorial gift.

A parent, a child, a close friend or a mentor are among the special people who can be recognized in this manner. And if either you or your spouse works for a company that matches gifts, then you may be able to double the impact of your memorial donation.

The organizations and institutions to which memorial gifts can be made are as far ranging as your personal interests. If the gift is used to establish an endowment, the interest will be generated indefinitely to honor your family name or the name of the person you recognize.

Each organization has its unique set of needs and priorities. That's why we always appreciate an opportunity to sit down and discuss your own intentions and our needs to find the best fit. We want to make sure your gift leaves a lasting impression in our community. Please give Arkansas Tech University a call for more information. ■

Sample Bequest Language

The appropriate wording for making a gift depends on the type of gift, state law and your own unique circumstances. The following will provisions are examples of how you may designate your gift. Consult an attorney to be sure you have a properly drafted legal document.

SPECIFIC DOLLAR AMOUNT BEQUEST:

I give to _____, _____
(legal name of organization) (city)
 _____, the sum of \$_____ for its general purposes.
(state)

SPECIFIC ASSET BEQUEST:

I give my _____
(specify personal property item(s) and/or real property)
 to _____
(legal name of organization)
 _____, _____.
(city) (state)

RESIDUARY BEQUEST:

All the rest, residue and remainder of my estate, both real and personal, and wherever situated, I give, devise and bequeath to _____
(legal name of organization)
 _____, _____, for its general purposes.
(city) (state)



You Can Make a Meaningful Gift

When you create a will, you have the ability to determine how your assets are distributed at death. To learn how to make a meaningful gift and save specific assets, send for our **FREE** brochure, *How to Make Effective Bequests*, by completing and returning the enclosed response card/reply mailer.