Experiencing the art of giving was a big part of Ben’s and Terry’s upbringings. Terry’s father owned and operated Pic-N-Tote Stores in Fort Smith for years before his passing in 1981. Many of her fondest memories are of her father helping those in need and contributing to the many causes he felt worthy of his time and money. Ben was raised on a farm near Quitman. His experiences with giving were family helping family through tough times, but churches and schools were also always very important to him. These people, through their actions and deeds, instilled in Ben and Terry the passion and desire to give, and now they believe it is their time to give back.

Ben learned valuable lessons about organization and discipline as a teenager participating in Future Farmers of America (FFA), and he believes strongly in the value of those programs. Together, the Rothwells have put their education, skills and ideals to work building a business that provides specialized consulting services to banks across the country.

Ben, Class of 1975, and Terry, Class of 1974 and former member of the ATU board of trustees and current member of the ATU Housing Board, have been strong supporters of Tech for many years. They understand that contributions do make a difference for Tech students, just as the generosity of others helped Ben and Terry many years ago. “By supporting Arkansas Tech we are helping students who are striving not only to improve themselves, but the lives of those who live in their respective families and communities.”

Ben and Terry Rothwell
But our tax laws provide incentives for giving to charitable organizations like Arkansas Tech University Foundation. If you participate in a qualified retirement plan and are willing to share the remaining balance with our organization after your lifetime, you can short-circuit a heavy tax burden and be far more philanthropic than you may have ever imagined.

**Start by Checking Your Options**

Qualified retirement plans are those eligible for special tax treatment. The most common types include:

- **IRAs** for your contributions and tax-free rollovers from qualified retirement plans.
- **401(k)** plans for voluntary pretax employee contributions.
- **Qualified pension plans** for regular employer contributions.
- **Qualified profit-sharing plans** for flexible employer contributions based on company profits.
- **403(b) plans** (TSAs, or tax-sheltered annuity plans) for employees of public schools and nonprofit organizations.

**Donate Assets That Avoid the Most Tax**

To fulfill your charitable inclinations, professional advisors agree that assets in your qualified retirement plan are an ideal source for charitable giving. The reason: These assets represent income earned by the decedent, so they are includable in the gross income of the beneficiary who inherits the assets, which can incur combined income and estate taxes of as much as 65 percent.

A charitable bequest of the very same assets, however, avoids this twofold taxation. That is because charities are tax-exempt, meaning those assets will never be taxed when left to an organization such as Arkansas Tech University Foundation.

**Ways to Make Your Gift**

To leave your retirement plan assets to us after your lifetime, you can name Arkansas Tech University Foundation as the beneficiary on the plan’s beneficiary designation form.

If you want to split these retirement benefits among your heirs and us, consider giving us a percentage of your retirement assets. Another choice is to leave the assets to a charitable trust, designed to pay an income to a loved one for life and the...
remainder to us thereafter. Life insurance can be incorporated to replace for your heirs the assets ultimately passing to us from the trust.

**Use Professional Assistance**

Work with knowledgeable advisors to be sure you are making the most appropriate arrangements for yourself, your loved ones and us. Your estate planning attorney should be involved. Many CPAs and tax and financial advisors have special computer programs for projecting growth in and distributions from your retirement account. This service, tailored to your situation, can be especially helpful.

We are also available to assist you when making a gift to Arkansas Tech University Foundation.

Under the reinstated law, you can use IRA funds to make charitable gifts without tax complications— but only until the end of 2009. If you do not need all of your IRA for personal use, consider giving part or all of it to an eligible charitable organization, such as Arkansas Tech University Foundation. While you cannot claim a charitable deduction for the IRA gift, you will not pay income tax on the amount.

You may contribute funds this way if:

- You are 70 1/2 or older at the time of the gift.
- Your gift totals $100,000 or less in 2009.
- You transfer funds directly from your IRA.
- You transfer the gift outright to one or more public charities. (This excludes gifts made to charitable trusts, donor advised funds, gift annuities and supporting organizations.)

**Moving Forward**

Be sure to contact tax professionals and your IRA administrator if you are considering a gift under this law. Feel free to call Arkansas Tech University Foundation with any questions.

Contact us to learn more about this limited-time opportunity that allows individuals aged 70 1/2 and older to make tax-free gifts from their IRAs.
AVOID HEAVY TAXATION THROUGH A GIFT OF STOCK

As you look over your assets to find the most cost-efficient gift, consider the benefits of making a gift of stock. When your stock’s value increases, the taxes you owe on the capital gain if you sell the stock also increase. With thoughtful planning, you can make the most of your stock.

When you donate publicly traded stocks owned for more than one year to a qualified charitable organization such as Arkansas Tech University Foundation, you avoid all capital gains taxes. (Capital gains taxes are generally charged at a maximum federal rate of 15 percent with the possibility of additional state tax.) Plus, you may take the full fair market value of the stock gift as a charitable deduction on your income taxes. The maximum deduction you may take within a given tax year is 30 percent of your adjusted gross income. If you are unable to take the entire deduction in one year, you may carry the excess deduction forward for five additional years.

If you have stock losses, sell the stock to realize the loss and take the deduction for tax purposes. Then receive a charitable deduction by donating the proceeds to us.

You should consult your professional advisor with questions on giving a gift of stock. You may also call Dana Moseley at (479) 964-0532.

A direct transfer of stock is a highly cost-effective method of making a gift, in contrast with giving cash or selling the securities and then giving us the proceeds.