



Franciscan¹ Footnotes²

1 Franciscan: Called like Francis of Assisi, the Sisters of St. Francis are messengers of peace, committed to works that reverence human dignity, embrace the poor and marginalized and respect the gift of all creation.

2 Footnotes: A publication of the Congregational Advancement Office of the Sisters of St. Francis of Sylvania, OH.

JUNE 2019

Estate Planning with Paul Hood



How do I create a legacy gift to the Sisters of St. Francis, Sylvania, OH?

First and foremost, thank you for your forward-thinking interest in benefitting the Sisters of St. Francis, Sylvania OH. The most important thing that you can do is ensure that your gift properly describes the Sisters of St. Francis, Sylvania OH. The Sisters' taxpayer identification number is 34-4450609. It's a good idea to add the Sisters' taxpayer identification number, which will virtually eliminate any confusion.

Please call the office if you're at all unsure about how to name

the Sisters as a beneficiary in your estate plan.

Give from IRA or Retirement Plans first. Depending upon the makeup of your property, there are several ways you could go. As a general rule, if you have assets that will be subject to income tax on distribution, such as an IRA or qualified retirement plan like a 401(k) or 403(b), charitable gifts should come first from these assets. Why? Because these assets are subject to income taxation when your family and loved ones take the money out of the account.

Taxes can take up to 70% of the account, with 40% being very common. If you give those assets to the Sisters, they'll receive 100% of the proceeds, unreduced by tax. Why? The Sisters are tax-exempt. If you're going to give a part of a retirement account to the Sisters or to any other charity, make sure that it is expressed as a fraction instead of a fixed dollar amount,

Six estate planning tips in this issue:

- **Minimizing taxes by giving first from IRA or Retirement Plans.**
- **Leaving a bequest.**
- **Timing of RMD due dates.**
- **Methods of asset transfer from 401K or 403B accounts.**
- **Understanding POD/TOD transfers**
- **Creating a legacy gift to the Sisters of St. Francis, Sylvania, OH**

or it will create income tax in your estate.

Since the federal estate tax at present is not a problem for over 99.4% of us, you're free to give your non-taxable assets to your family. Of course, you also can give all or part of your non-taxable assets to the Sisters. This could be done in a number of different ways, depending upon the makeup and titling of your assets.