

MAXIMIZE THE IMPACT OF YOUR PHILANTHROPY THROUGH TAX-EFFICIENT GIVING STRATEGIES.

In this issue of the Savvy Donor, we explore the most popular ways to create your UMB legacy without writing a check. Donors like you are discovering their giving goes further when they plan their gift by using appreciated non-cash assets.

We are privileged to help you achieve your philanthropic goals with a strategy aligned with your family's financial objectives. Please contact us to begin a confidential, no obligation conversation about your UMB legacy. *(Ready now? Find all the info you need to make a gift on the reverse side!)*

IRA ASSETS || If you are age 70½ or older and own a traditional IRA, Congress has granted you a giving benefit unavailable to younger donors. IRA account holders can donate up to \$100,000 per person per year tax-free via qualified charitable distributions. IRA assets represent a lifetime of earnings that have never been taxed, and donating them are the only use where the account holder is getting 100 percent of the value of each dollar—any other use reduces that dollar through taxes. To give IRA assets to a school or fund at UMB, the steps are:

1. || Completing a qualified charitable distribution form with the IRA administrator listing the University of Maryland Baltimore Foundation, Inc. (31-1678679) as the charitable recipient.
2. || Contacting the Office of Planned Giving or school to communicate your gift designation to a particular fund, school, or program.

(You can also make the University of Maryland Baltimore Foundation, Inc. a beneficiary of your IRA—a way to continue to give beyond your lifetime.)

DONOR-ADVISED FUNDS || Donor-advised funds (DAFs) function like private foundations without the cost or complexity, and can be opened by anyone for as little as \$5,000 at a community foundation or large financial institution. The tax advantages include being able to separate the tax donation from the charitable distribution, allowing DAF donors to time donations to financial events or consolidate gifts, while deferring decisions about gift distributions. DAFs also can accept appreciated assets like stocks and mutual funds (but not IRA assets), which adds tax benefits. *(You can also make the University of Maryland Baltimore Foundation, Inc. a beneficiary of your DAF—another way to continue your support.)*

APPRECIATED STOCKS || Gifts of stock and mutual funds allow donors to realize the full market appreciation of their investments, while any other use would reduce their profit through taxes. Stocks are easier to transfer than mutual funds, usually involving only two steps:

1. || Providing stock transfer instructions (available from the school or Office of Planned Giving) to their financial institution.
2. || Notifying the Office of Planned Giving of the incoming shares and communicating the school, fund, program, or designation where the sales proceeds should be applied.

MUTUAL FUNDS || Mutual funds involve additional steps and more time, but the tax advantages are the same as giving appreciated stock: You pay no tax on the sale of shares. To initiate gifts of mutual funds, donors should contact the Office of Planned Giving at least two weeks before the desired date of gift.



"Is the homework fresh?"

WHY ESTATE GIFTS? || Bequests and beneficiary designations are by far the most commonplace and significant planned gifts received by UMB and most other charitable organizations, for understandable reasons:

- Bequests and beneficiary gifts happen only after all lifetime needs, and often loved ones' lifetime needs, are met, ensuring the assets are available to the donor and the family. Bequests often are made out of residuary funds after specific amounts and assets are first given to individual family members.
- Bequests and beneficiary gifts are revocable, so the donor can change their mind or alter the gift if their circumstances change.
- Although there is no minimum amount to a bequest, they are among the largest gifts ever made and are frequently used to establish permanent endowments such as scholarships, professorships, and research funds.

For some, bequests are symbolically important, creating an eternal legacy — sometimes token, sometimes large — to institutions and causes

that changed their life. To others, it is simply the most practical way to make the largest gifts they wish to make, at the moment in time when one can most afford to give away one's wealth, without risking lifetime needs and desires. Either way, naming a charitable organization among your "heirs" is indeed a significant decision, but fortunately donors today have many ways in which to execute legacy gifts.

GIFTS FROM WILLS AND TRUSTS || When making a charitable gift to a nonprofit organization, it is vital that the legal name of the charity, city and other identifying details be used. To name the University of Maryland Baltimore, Inc. in a will or trust, please use the following suggested language:

Sample Bequest Language

I give and devise to University of Maryland Baltimore Foundation, Inc., Baltimore, MD, (EIN 31-1678679) the sum of \$ _____ (or _____ shares of _____ stock) to be used for its general support (or for the support of a specific fund or program).

BENEFICIARY GIFTS FROM RETIREMENT PLANS, LIFE INSURANCE, BROKERAGE ACCOUNTS OR ANY OTHER PLAN WITH A BENEFICIARY DESIGNATION || Please contact your plan provider for a change of beneficiary form. Once you have filled out the form, please send a copy to E. John McKee, M.A., AVP, Philanthropy and Planned Giving at plannedgiving@umaryland.edu.

GIFTS OF APPRECIATED SECURITIES

University of Maryland Baltimore Foundation

Bank: Northern Trust

DTC: 2669

Reference: 26-57648

Please notify us in advance of any stock gift so we can identify the donor when it arrives, and know where to designate the sales proceeds. Please contact the Office of Planned Giving at **877-706-4406** or plannedgiving@umaryland.edu.

IF YOU ARE INTERESTED IN LEARNING HOW TO ESTABLISH A LEGACY

through deferred gifts, please give me a call. I'd love to help you discover giving options that work for you.

Office of Planned Giving

E. John McKee, M.A.

AVP, Philanthropy and

Planned Giving

877-706-4406

plannedgiving@umaryland.edu

TO EXPLORE YOUR OPTIONS OR SHARE YOUR INTENTIONS:

Visit umaryland.edu/plannedgiving or contact the Office of Planned Giving at 877-706-4406 or plannedgiving@maryland.edu.

This publication is not intended to provide legal, tax investment, or other professional advice, and should not be relied upon for such advice. In advance of any charitable gift plan, we encourage you to seek the advice of legal, tax, and investment professionals.

THE **UMB OFFICE OF PLANNED GIVING** HELPS DONORS MAXIMIZE GIVING TO THE UNIVERSITY OF MARYLAND SCHOOLS OF MEDICINE, LAW, DENTISTRY, PHARMACY, NURSING, GRADUATE SCHOOL, AND SOCIAL WORK THROUGH TAX-EFFICIENT STRATEGIES AND OTHER OPTIONS BENEFICIAL TO THE DONOR. PLEASE VISIT www.umaryland.edu/plannedgiving OR CONTACT THE OFFICE OF PLANNED GIVING AT 877-706-4406 OR plannedgiving@umaryland.edu.