

Preserving
your



legacy
of
values

*A service brought to you by the Lourdes University
Office of Institutional Advancement*

Rick Gum, CFP™, a member of the Lourdes University Planned Giving Advisory Council and a financial advisor at Merrill Lynch, offers some helpful advice concerning tax-free charitable distributions from IRAs.

Proper planning allows you to distribute more of your assets to your loved ones and favorite charities such as Lourdes University. This planning ensures that your wealth is directed in the manner that best reflects your values. A recommended strategy is making a tax-free charitable distribution from your traditional or rollover IRA.

How do I qualify for this strategy?

- ◆ You must be 70-1/2 or older at the time of the distribution,
- ◆ You can distribute any amount up to \$100,000 per year in tax year 2007.
- ◆ You and your spouse may take a combined distribution up to \$200,000, provided each of you owns at least one IRA and can make a qualified charitable distribution up to \$100,000 from your respective accounts.
- ◆ You may distribute your traditional IRA and IRRA. Distributions may not be made from SEP and SIMPLE IRAs.

How can I direct my contribution?

- ◆ For a distribution to Lourdes University, the proceeds must be paid by check directly to Lourdes. You cannot receive a distribution payable to you and then issue a second check for the charity of your choice.
- ◆ Lourdes University must receive the distribution by December 31, 2007, for it to qualify for tax-free status in tax year 2007.
- ◆ Donor advised funds and certain private foundations are not eligible charities. You must check with your tax advisors to determine whether a charity qualifies under IRS guidelines.

How do I apply this strategy?

Your financial advisor can assist you in this strategy. If you decide to implement this strategy or initiate a distribution from your IRA, you or your financial advisor must complete the IRA/IRRA One-Time Distribution Form, and complete section “g”

How are tax treatments and recovery of basis handled?

You must take qualified charitable distributions from taxable amounts in an IRA first even though they also have an after-tax basis.

Can this count toward my Required Minimum Distribution?

Yes, up to \$100,000 per person level.

How can I get started?

Please contact your financial advisor or Aileen Meyer, Director of Major Gift, at 419-824-3813 for further details.

<input type="checkbox"/> I would like more information about making a gift through my estate plan.
<input type="checkbox"/> I am interested in making a gift that provides me with lifetime income and substantial charitable deductions.
<input type="checkbox"/> I have included Lourdes University as a beneficiary of my estate plan in the following manner: _____ _____ _____
Name: _____
Address: _____
City, State, Zip: _____
Phone: _____
Email: _____