

# SERAPHIM *Legacy* SOCIETY NEWSLETTER

Gift Planning News—St. Bonaventure University | Fall 2021

We asked for your opinion about the Seraphim Legacy Society newsletter, and you replied! Because of the surveys received over the past several issues, we will be supplying more planned giving content.

This new and improved format will offer such topics as cash gifts, gifts by will or living trust, giving through retirement plans, gifts of appreciated securities, and gifts through life insurance. We will continue to feature campus photos and the popular “Did You Know?” section.

I sincerely hope this issue and future issues exceed your expectations. We will continue to send a reply card with a survey on the backside. Please take a couple minutes to complete and return the reply card. I will respond to your comments and opinions!

*Robert F. Keenan, '74*

Robert F. Keenan, '74  
Associate Director of Planned Giving



Photo by Priscilla Contreras, '21

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**DID YOU KNOW?** *There are 37 things people “know” about wills that aren’t really so ... Contact Bob Keenan to receive a free copy of this helpful booklet.*

# MAKE A DIFFERENCE AT YEAR-END

Before we know it, we'll be celebrating another new year. As 2021 draws to a close, remember there are several ways to make a gift to St. Bonaventure. Here are some common ways to give before the clock strikes midnight.

## CASH GIFTS

For 2021, cash gifts can be deducted up to \$300 (\$600 for couples) if you don't itemize charitable deductions. Also, the usual limit on deductions for cash gifts up to 60% of adjusted gross income (AGI) is increased to 100% of AGI, meaning taxpayers are allowed to claim a higher total of itemized charitable deductions on their tax returns.

## GIFTS BY WILL OR LIVING TRUST

After first providing for loved ones, your will or living trust can be an excellent way to give to St. Bonaventure. You can give the remainder, a percentage of your estate, or a specific amount. Making a charitable gift this way can often be accomplished through adjusting your existing documents (a codicil).

## GIVING THROUGH RETIREMENT PLANS

If you have a retirement plan account, you can make tax-savvy gifts to St. Bonaventure each year. When making your long-term plans, you can designate SBU as an eventual beneficiary of your retirement account. With a taxable withdrawal, you can even arrange for a charitable gift that includes income to you and/or family members before benefiting St. Bonaventure.

## GIFTS OF APPRECIATED SECURITIES

A gift of appreciated securities goes further than a gift of cash. Stocks you have owned more than one year and are worth more than you paid

for them make excellent gifts to St. Bonaventure. See more about this way to give on Page 3.

## GIVING THROUGH YOUR IRA

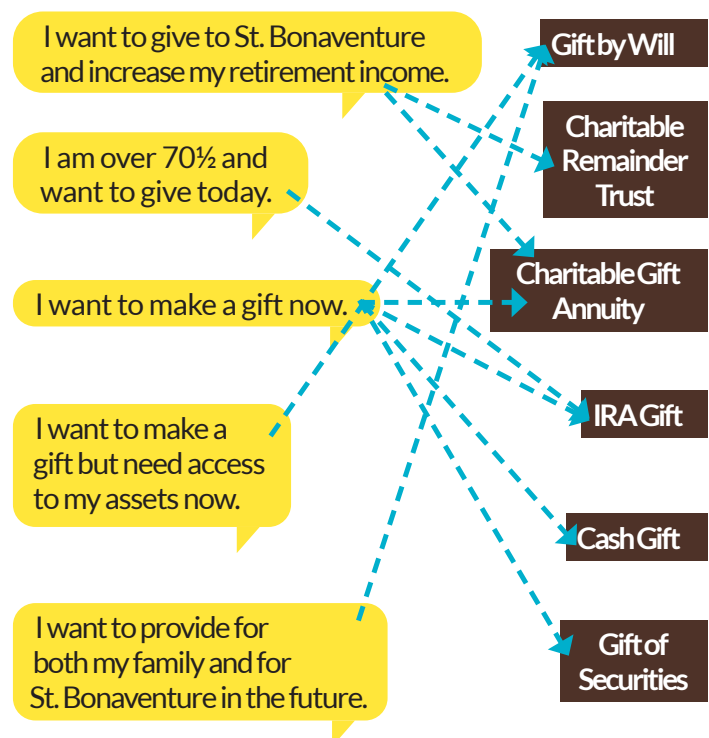
Tax-free IRA gifts, called qualified charitable distributions (QCDs), have special appeal for our alumni and friends who are over age 70½. Read more about giving to St. Bonaventure through your IRA on Page 4.

## GIVING THROUGH LIFE INSURANCE

If you have life insurance policies that are no longer needed for their original purpose, you may want to rededicate these policies to St. Bonaventure to receive all or a percentage of these funds.

If you need assistance finding the best ways to give in 2021 or have any questions, return the enclosed reply card or contact us. Also, please take a moment to complete the survey on the back of the card.

## FINDING THE BEST WAYS TO GIVE





# TAKE STOCK WHEN GIVING

Many people have experienced rising stock portfolio values in recent years. Friends of St. Bonaventure are often surprised to learn there may be more favorable tax results from giving appreciated securities than a comparable cash gift.

By giving appreciated securities, you may be able to give more than you thought possible. You can deduct the full fair market value of the gift, there are no capital gain taxes due when you give appreciated securities, and excess deductions can be carried over for up to five additional years.

The combined savings of both regular income tax and capital gains tax can make gifts of securities especially attractive because for most people there is no federal tax incentive to give appreciated property to a charity through an estate.

If your stock has dropped below the price you originally paid for it, consider selling the shares and donating the proceeds to St. Bonaventure. You'll likely be entitled to a capital loss deduction as well as the gratification of knowing you'll be supporting Bona students for years to come.

## GIFTS OF CASH VS. GIFTS OF STOCK

Assuming 35% Income Tax Bracket	Option A: Give \$10,000 in Cash	Option B: Give Securities Outright
Gift value	\$10,000	\$10,000 (w/cost basis of \$2,000)
Ordinary income tax savings	\$3,500	\$3,500
Capital gains tax saved or paid, assuming 15% tax rate	N/A	\$1,200 saved
After-tax cost of making gift	\$6,500	\$5,300



Photo by Priscilla Contreras, '21



# ANOTHER TAX-WISE WAY TO GIVE TO ST. BONAVENTURE

If you are age 70½ or older, you can make gifts directly to St. Bonaventure from individual retirement accounts (IRAs). This gift is called a qualified charitable distribution (QCD).

Why is a QCD such a good giving option? Let's break it down by the numbers:

1. Giving directly from your IRA—rather than withdrawing these funds—won't increase your adjusted gross income or subject your Social Security income to more taxes.
2. Such gifts can count toward all or part of your annual required minimum distribution (RMD). For those turning 70½ this year, the minimum age for taking RMDs has increased to 72.

3. QCD gifts can be especially advantageous for those who do not expect to itemize their deductions and for those whose deductions are limited.
4. You may make QCD gifts in any amount up to \$100,000 per person per year or \$200,000 for a couple with separate IRAs. Because of recent tax law changes, you may be able to continue to add to an IRA after age 70½. If this is your situation, the amount of QCD gifts you can make will be reduced. \*

## CAN I DO THIS WITH OTHER RETIREMENT PLAN ASSETS?

The QCD is only possible with an IRA. It is possible to roll funds from other retirement plans into IRAs in order to take advantage of a QCD.

Some people choose to make charitable gifts with their retirement plan withdrawals—whether IRA, 401(k), 403(b) or other similar arrangements. When doing this, you will recognize income on your tax return, but you can also deduct the amount of your gift.

For more information, return the enclosed reply card or visit [sbu.givingplan.net](http://sbu.givingplan.net).

\*As a result of the SECURE Act, if an individual with earned income continues to make deductible contributions to an IRA beyond age 70½, the individual's maximum QCD amount will be reduced by the amount of deduction claimed for an IRA contribution.



Photo by Priscilla Contreras, '21

## MORE INFORMATION



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