MARIETTA LEGACY | Marietta College

CONSIDERING YOUR LEGACY | SPRING 2017

Caring for Marietta’s Future

Rocky Peck ’88 and his family have always placed a high value on education.

“My mother (Catherine Peck ’82) was a school teacher and put a lot of stock into education,” Peck says. “She was an alum of Marietta College and, when I was looking at schools to attend, she thought that it was a good fit for me.”

Rocky earned a degree in marketing from Marietta and uses the principles he learned in his role at Cecil I. Walker Machinery Co. Recently, Rocky’s family attorney counseled him and his wife, Dee to make estate plans.

“I got married later in life — I was 48 — so I am without heirs,” Rocky says. “My heir will be Marietta College.”

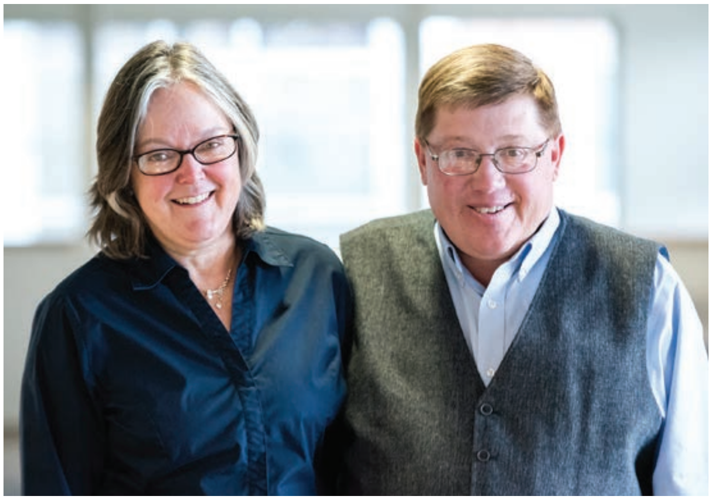
Marietta’s Office of Advancement offers guidance to alumni who are interested in supporting the College through charitable estate gifts.

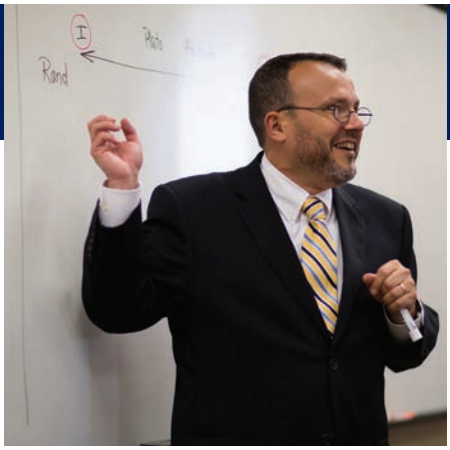
“An estate gift allows you to maintain your financial lifestyle throughout your life while also benefitting Marietta,” says Jarrett Stull, Director of Gift Planning and Major Gifts. “By including Marietta College in your estate plans, you can also generate a charitable estate tax deduction and substantial tax savings.”

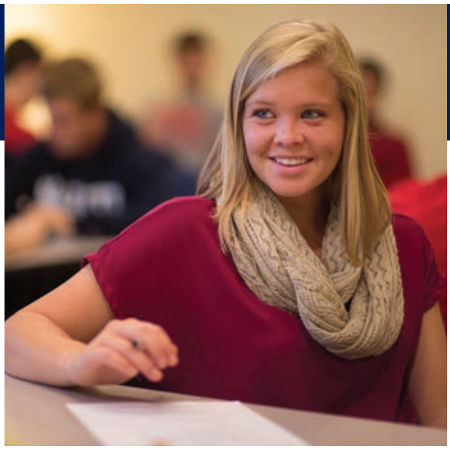
The decision to make Marietta College his heir was an easy one for Rocky.

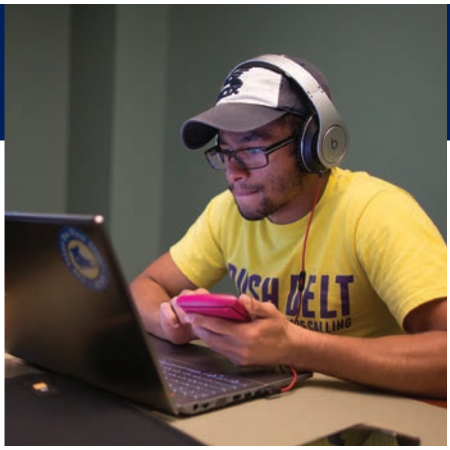
“I’ve been wealthy and I’ve been poor; I’ve struggled and been successful; and I’ve really been blessed all my life,”

Rocky says. “The folks at Marietta College — from the president to faculty to students — have all played a role in helping me get to where I am today. “









A Family Friendly Way to Give

"Family first" is a phrase that carries profound meaning. "Family first" underscores the fundamental role that "family" normally plays throughout our lives. It's also a phrase that figures prominently in estate planning, the process of determining the disposition of your assets once you pass away. You may be surprised to learn that a tax-wise estate plan could include provisions for making charitable gifts from your estate, including a gift to Marietta College, which also would leave family members with a larger inheritance than if you had not made such a gift.

You've worked hard to save for yourself and your family, and most likely have accumulated assets in plans such as 401(k)s and traditional IRAs. These are the assets that you use to enjoy life in retirement. They can also make up a portion of your estate at your death. Unfortunately, retirement assets carry a heavy tax burden when they pass to family through your estate. If you are subject to maximum taxation, the combined taxes (income taxes, as well as federal and state (if applicable) estate taxes) on your IRA and similar assets can reach nearly 80%, leaving your family with only about 20% of the original value. However, when you leave these investments to Marietta, 100% of your gift is free from income and estate taxes, and you receive an estate tax charitable deduction which reduces the taxable size of your overall estate.

You can make this gift by designating Marietta College as a beneficiary of your retirement plans. This **"beneficiary designation"** is one of the most family friendly and simplest ways to make a gift. Keep in mind that you don't need to make Marietta the sole beneficiary. For example, you could name your family as a 75% beneficiary of your IRA and Marietta as a 25% beneficiary.

Alternatively, you could name Marietta College as a contingent beneficiary. For example, you could specify that your IRA would only pass to Marietta if your spouse (or children, or other heirs) were to die before you. All you need to do is to request a Beneficiary Designation Form from your plan administrator and designate Marietta as a beneficiary of either a percentage of your plan balance, a specific dollar amount, or subject to a contingency that you control.

You may find that you own certain assets outside of retirement accounts that you wish to use for a gift to Marietta College when you pass away. A simple beneficiary designation form known as ***"Pay on Death (POD)"*** or ***"Transfer on Death (TOD)"*** will accomplish this for you. You can use these forms for a brokerage account, bank account, certificate of deposit or other financial accounts that you want to come directly to Marietta upon death and your estate will receive an estate tax charitable deduction for this gift.

Estate Planning – *Where to start, and why*

"Because I said so." We've likely all heard it or said it in response to the question "why?" But it's not a particularly motivating reason to do something. Perhaps that's why more than half of people do not have a will or other estate planning documents in place. . . they hear that they should, but aren't sure why. Answering that question is really the starting place.

To answer "why", let's consider some other questions:

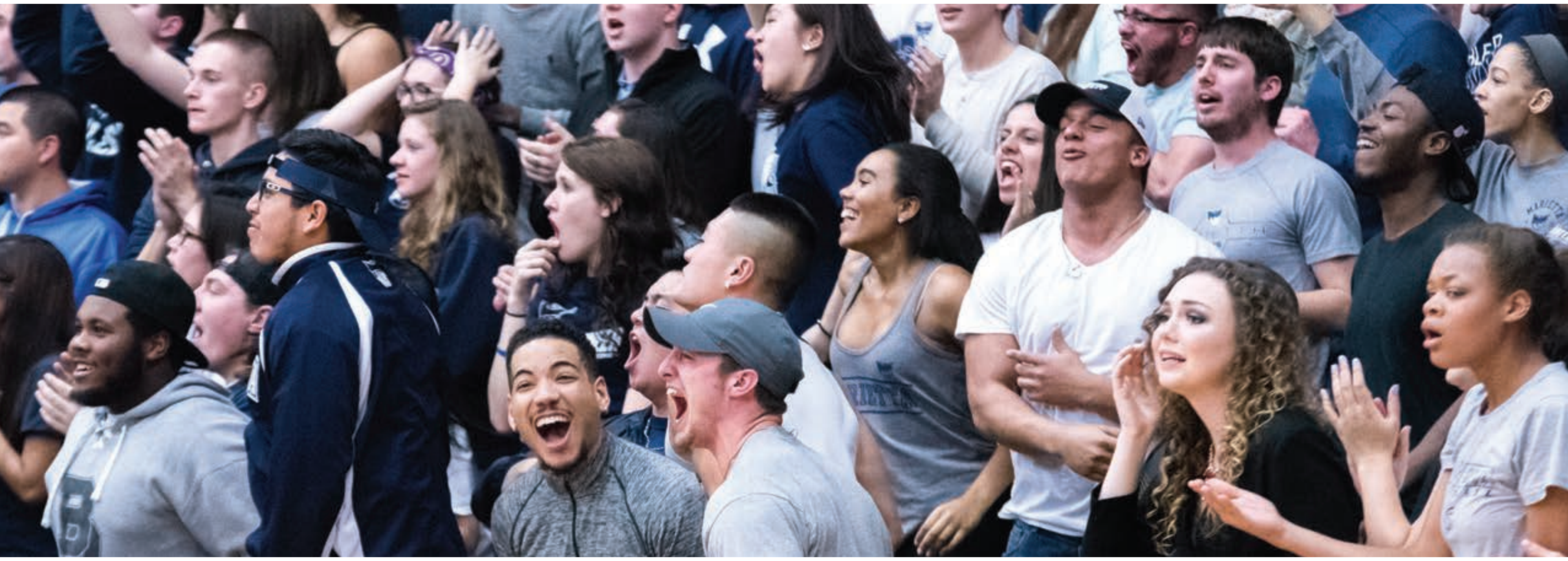
1 What happens if you are incapacitated and unable to handle financial or health decisions? Who would you want to make decisions for you? While we may think of this as a decision that can be delayed until late in life, illness or injury can result in incapacity at any age.

2 If you have young children, who do you want to serve as guardian if something happens to both parents? Think of the difficulty in leaving this for surviving family to decide at a time of mourning. What if there is disagreement among the family as to what is best for the child(ren), and it is left up to the courts to decide. Or perhaps you think the best people to raise your child(ren) are close friends, rather than family, but no one else knows.

3 Do you have children from a prior marriage? Stepchildren you haven't adopted? A sibling you're helping to support? Do you want to provide directly for your grandchildren? These are some of the circumstances where how you want to distribute your assets at death might differ from what would happen if you die without any plan in place.

4 Are there things you own that you want to go to a specific person? Maybe your stamp collection, the decorative plate hanging in your kitchen, or the memento from the family cross-country trip that makes everybody smile? While sometimes the value of such items is monetary, often it is purely sentimental, and they are frequently the most contested items in an estate.

So why should everyone take time to create an estate plan? Because each person's situation is unique, with specific concerns and priorities. And the place to get started is to consider what those are, and then begin the discussion with your attorney on how to address them in your plan. And if he or she asks "why did you come to see me?" You'll be ready with the answer "because I have some specific needs to address."



Marietta College

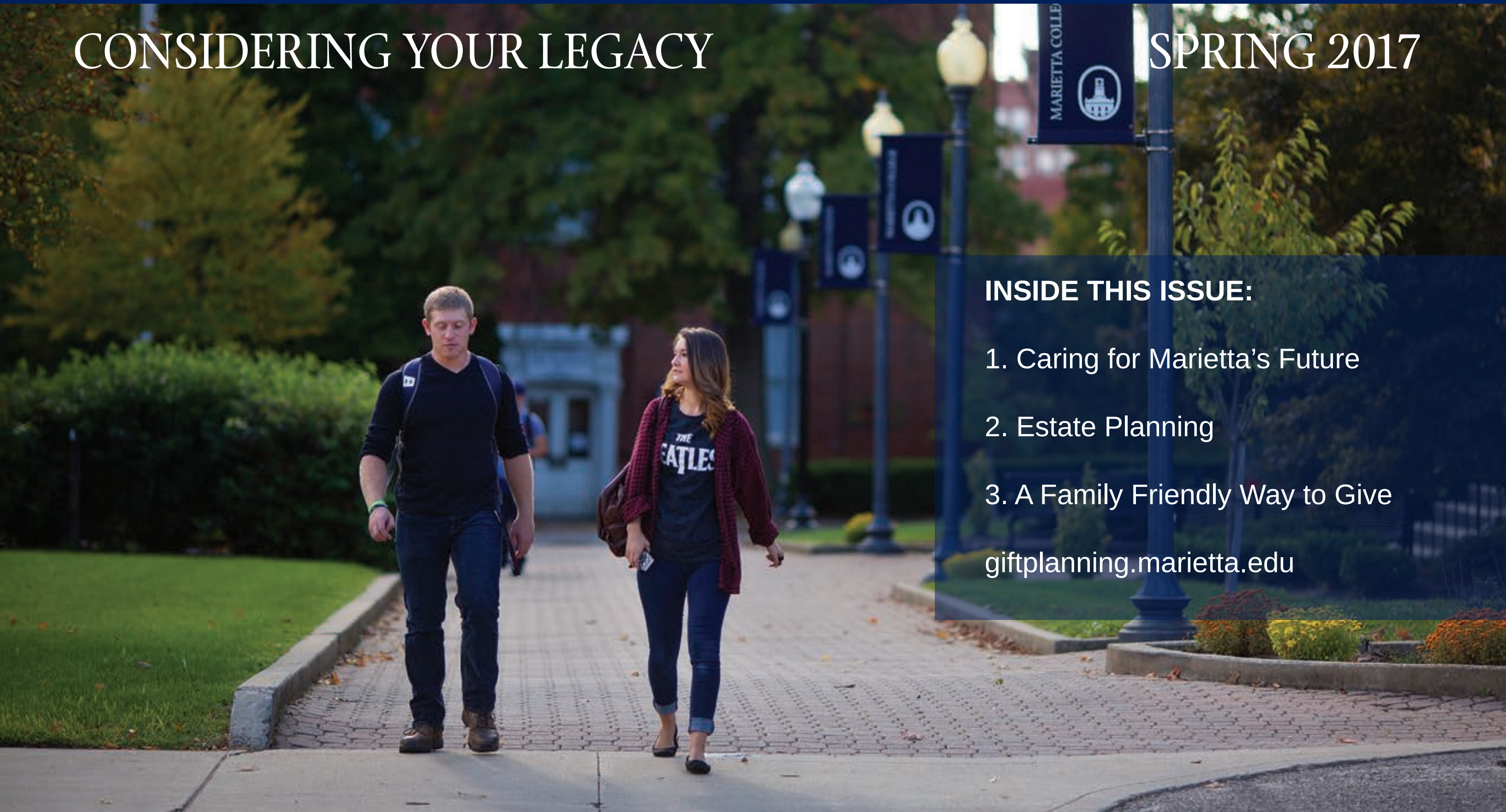
OFFICE OF GIFT PLANNING
215 FIFTH STREET
MARIETTA, OH 45750

NON-PROFIT
ORGANIZATION
U.S. POSTAGE
PAID
MARIETTA, OH
PERMIT NO. 36

MARIETTA LEGACY

CONSIDERING YOUR LEGACY

SPRING 2017



INSIDE THIS ISSUE:

giftplanning.marietta.edu