



# Your Legacy

Planned Giving Newsletter from Northeast Community College Foundation

Summer 2024

## Your IRA is More than a Tool for a Comfortable Retirement

That IRA you have worked hard to establish can provide security for you after retirement. At the same time, it can become an inheritance for your family. And it can allow you to donate to a cause you support.

There are two ways to use your IRA to support a charity. One is to designate a percentage of the balance in your IRA at the time of your death to a charitable organization.

According to Fidelity Charitable, there are several benefits to using a percentage of your IRA for a charitable donation.

- There will be no income tax to pay by you or your heirs on IRA assets distributed to a charity.
- The value of the assets will be included in the gross estate value, but the estate will receive a tax deduction for the charitable contribution to help offset estate taxes.
- The full amount of your donation will go to the charity since charitable organizations do not pay income taxes.
- You have the flexibility to divide your retirement assets among charities and heirs in any percentages you choose.
- This type of donation is revokable, so it can be changed by you at any time before your death.

In addition to designating a charity as a beneficiary to receive estate assets after your death, you can also set up a Qualified Charitable Distribution (QCD). Through a

QCD, up to \$100,000 a year can be donated per IRA owner, \$200,000 for a couple.

According to the IRS, there are a few things to keep in mind when setting up a QCD.

- The donor must be at least 70.5 years of age at the time of the distribution.
- The distribution can count toward the IRA owner's Required Minimum Distribution (RMD).
- It is important that the donation go directly from the trustee of the IRA to the charity. An IRA distribution made directly to the IRA owner and forwarded to the charity will not have the same tax advantage as a QCD.

AARP says donating part of your assets after death to one or more charities is a noble way to make an impact, and you don't have to be a millionaire to do it. Qualified retirement plans are usually the most heavily taxed if they are not left to a surviving spouse, so designating a child or other person as a beneficiary may hit the heir with income taxes. But a 501(c)(3) nonprofit that is the beneficiary of a qualified retirement plan won't pay any tax, which maximizes your donation.

For more information on how you can use your IRA for charitable purposes, please talk with your financial advisor. If you decide to include Northeast in any of your estate planning, please contact us at [foundation@northeast.edu](mailto:foundation@northeast.edu) or call 402-844-7240 so we can ensure that your generous gift is used in the way you intend.

## Is Northeast included in your Estate Plans?



We understand that estate planning is a personal undertaking, but communicating your estate gift plans with Northeast offers benefits.

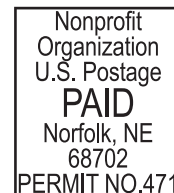
- Northeast allows donors to designate estate gifts for a specific purpose. Perhaps a donor would like to use their philanthropy to support student scholarships or be used in a particular program. Communicating with the Northeast

Foundation allows us to take note of your wishes, so they are carried out in the future.

- Notifying us now of your planned gift gives us the chance to thank you for your generosity.
- Northeast has a Founders Society honoring those who have included us in their estate planning. Members are listed in an annual newsletter and invited to special events.



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Northeast does not discriminate based upon any status protected by law or college policy. Please go to [northeast.edu/nondiscrimination](http://northeast.edu/nondiscrimination) for details.

## ***Founders Society Members***

Northeast has established the Founders Society to celebrate and thank those individuals who share in the College's dedication to the success of students and the region it serves. The Founders Society is comprised of those individuals who have chosen to include Northeast in their estate plan with a deferred gift for the ultimate benefit of the College and its students.

Planned gifts include bequest in wills or living trusts; life income plans such as gift annuities, charitable trusts, and pooled income funds; and beneficiary designations of retirement plans, brokerage accounts, and life insurance policies.

Anonymous (5)	Dave & Ann Lund
Kendra Barnes	Ed & Corinne Morris
John & Diana Blaylock	The late Norman W. Ochsner
The late LauraNel Carlisle	Dirk & Jan Petersen
Dr. Michael & Susan Chipps	Mark S. & Beth Ann Pfeil
Vern D. & the late Lucille Fairchild	Brian & Rose Ann Rogers
Scott & Angela Gray	Jeff & Lori Scherer
The late Leo Hegr	Brian & Nicole Sedlacek
Dr. Wade & Kristine Herley	John & Vickie Sehi
The late Robert L. & Joan A. Hodgson	Dr. G. Tom & M. Susan Surber
The late Mahlon B. Kohler	Glenice & the late John C. Watson
Daniel J. & Dr. Tracy Kruse	

**If naming  
Northeast Community  
College Foundation  
in your will or estate plan,  
we should be named as:**

The Northeast Community College Foundation, a nonprofit corporation, originated and existing under the laws of the State of Nebraska, with a principal business address of 801 East Benjamin Avenue, PO Box 469, Norfolk, Nebraska 68702-0469.

Northeast Community College Foundation is registered with the IRS Department of the Treasury (EIN: 51-0145185) and is exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code of 1954.