

DONOR PROFILE

THE GIFT OF SCHOLARSHIP

FELICIA MCCLELLAND

The Felicia B. McClelland Scholarship Fund is awarded to students in Loyola's School of Social Work who demonstrate a need for financial aid. The scholarship is named after Felicia B. Piekarz McClelland, whose near-century-long life was dedicated to serving others and giving back to the schools that helped her succeed.

Felicia was born in Chicago on August 17, 1915. She attended Loyola's School of Social Work in 1941 and 1942 and later earned her master's degree from the University of Chicago. She worked her way through each school, taking on various jobs at places like the American Red Cross, the War Department, and Sears & Roebuck Co. In 1953, she moved with her husband, Orrville E. McClelland, to Akron, Ohio, where she pursued a career in social work.

Through her work with the Summit County Senior Center, Felicia committed to serving others and providing support through faith and gentleness. As a testament to her selflessness and unwavering love for all people, she received the St. Matthew Council of Catholic Women 1995 Woman of the Year Award. She was passionate about helping others, whether through social work or through participating in church, writing letters, or making greeting cards for friends and family.

As the recipient of scholarships that helped her to achieve her degrees, Felicia appreciated the importance of financial aid in helping students to succeed. She specifically requested that all her endowment be used to award scholarships at the institutions that shaped her life. Throughout her many decades, she was an example of how the generosity of strangers can be paid forward to others who need it most.



Felicia McClelland left an endowed scholarship gift in her estate plans to support future social workers.

May we include you?

Many of our alumni and friends have included Loyola in their wills. We honor those who have done so with membership in the Society of the Shield. Would you like to know more about how you can become a member of this society? Please fill out and return the enclosed card for more information, or to let us know that you have already included Loyola in your plans.

PHONE: 312.915.7641
EMAIL: giftplanning@LUC.edu
ONLINE: LUC.edu/shield

Ready to help

When you have questions about making a gift to Loyola University Chicago, the Gift Planning team is ready to help. We welcome the opportunity to answer your questions. Please call or write us!

To browse more resources and get current advice to help in your estate planning, visit our website at: LUC.edu/giftplanning.

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LOYOLA LEGACY

GIFT PLANNING OPTIONS FOR YOU

SPRING/SUMMER 2018



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Loyola Legacy is published by the Office of Gift Planning at Loyola University Chicago on a periodic basis. This publication illustrates general concepts and ideas in tax and estate planning. The articles are not intended as legal services or advice. You should consult with competent tax and legal professionals as to the applicability of any items to your personal situation.

LOYOLA UNIVERSITY CHICAGO
On the cover: Sister Jean Dolores Schmidt, BVM, during the 2018 NCAA Tournament.

WILL NEW TAX RULES AFFECT YOU?

With new tax rules come opportunities to evaluate your financial position and plans you have in place, or have been meaning to institute, including estate plans. Will your federal tax rate change? Are there options to reduce your tax rate by giving a charitable gift? In this issue, you'll get answers to some of your burning questions.

ALSO

COME TO ALUMNI WEEKEND IN JUNE



Cuneo Hall (left) and Cudahy Science Hall (right) on Lake Shore Campus

HOW THE NEW TAX RULES MAY AFFECT YOU

The Tax Cuts and Jobs Act of 2017 is the biggest change to taxes since the Tax Reform Act of 1986. You may wonder how it could affect you, your small business, your taxes, your estate, and the charities you care about. You may be asking some of the following questions:

Will a charitable gift always reduce my income tax?

If you itemize your deductions, a charitable gift will reduce your income tax. The amount of the tax savings depends on your tax rate. Since marginal rates are generally lower under the new act, your tax savings may be a bit less than previously, but your savings can still be significant.

CHARITABLE IMPACT: SAVE TAXES BY DOUBLING UP ON YOUR GIFT
If your total itemized deductions aren't larger than your standard deduction, you might consider contributing in a single year what you would normally give over a two-year period. Your total deductions for the first year would then exceed the standard deduction, so you would itemize in that year and realize tax savings for your charitable gifts—then take the standard deduction the next year.

If I sell an appreciated asset, will I now pay less tax on the capital gain?

No, the new act did not change the tax rate on long-term capital gain. Except for lower-income individuals who pay no tax on capital gain, the rate on capital gains in securities and undepreciated real estate remains at either 15% or 20%—depending on the level of your total income. For certain types of assets, the rate is higher. The 3.8% Affordable Care Act surtax continues and is added to the capital-gain tax rate for those whose adjusted gross income is over a certain level.

CHARITABLE IMPACT: YOU CAN STILL SAVE CAPITAL-GAIN TAXES
When you make a donation using assets owned for more than a year, you still receive a charitable deduction for the fair market value, and you are not taxed on the capital gain. Because of this double benefit, giving an appreciated asset, such as stock, can still greatly reduce the net cost of making a gift.

Should I review my estate plan because of the new tax act?

It is always wise to review your estate documents periodically and make needed changes. The federal exemption for an estate in 2018 almost doubles to \$11.2 million (\$22.4 when combining the exemptions of married couples). If you do not have high net worth, chances are that the new tax act in itself necessitates no changes. However, if your estate would have been subject to estate tax under prior law, then you should definitely consider changes.

CHARITABLE IMPACT: YOU COULD GIVE MORE TO LOVED ONES—AND TO CHARITY
The new tax act makes it possible to give more to loved ones without paying federal estate tax—but if you choose to give them a fixed amount and the balance to charity, you may actually be able to give more to a charity because the estate tax on that fixed amount will now be less. Also continuing is the benefit that your loved ones who inherit and sell appreciated assets will not be taxed on any of the capital gain that accrued prior to your death. Note: Even if your estate is exempt from federal estate tax, it might be subject to state estate tax—a charitable bequest could reduce that tax.

Will my federal income tax go up or down?

Most tax payers will see reduced income taxes, but some will see a tax increase.
Your taxes may go down due to the reduction in marginal tax rates. The top tax is rate now 37%; it was previously 39.6%.

Your taxes may also drop because the standard deduction is now \$12,000. However, if you previously itemizing deductions for state income tax, state sales tax, property tax, and other miscellaneous items that totaled more than \$12,000, you may see a tax increase because some deductions have been eliminated—and others are now limited.

Can I still make charitable gifts in the same ways as before?

In the past, many of our alumni and friends have used a variety of assets to fund a wide variety of gift plans. Here are some ways you can still make planned gifts:

- Establish a charitable remainder trusts that pays you and/or another person income for life or a term of years.
- Fund a gift annuity that pays a fixed amount for life.
- Make a “rollover gift” from your IRAs if you are over the age of 70½.
- Contribute appreciated assets like stock or real estate.
- Name Loyola University of Chicago (legal name of the University) as a beneficiary in your will or as a contingent beneficiary of your IRA or retirement plans.

All of these plans, and more, are still possible under the new tax act. However, some of these giving plans are indirectly affected. Please contact us or consult with your legal or account adviser to make certain new strategies are advisable.

To discuss gift planning options that may be best for you, please contact us at 312.915.7641 or e-mail giftplanning@LUC.edu.



Kick off summer by seeing old friends, making a few new ones, and visiting the place where your educational foundation began.

We hope to welcome you back to campus soon!

SATURDAY, JUNE 9 LOYOLA UNDER THE STARS

6–10 PM · LAKE SHORE CAMPUS, EAST QUAD (\$45)
Alumni, friends, and family are invited to spend an evening on the East Quad and enjoy beautiful scenery, lakeside lounging, live music, and al fresco dining under a summer sky. Grab something savory to eat at the local food trucks and tents, and enjoy beer, wine, or nonalcoholic beverages with your classmates.

SUNDAY, JUNE 10 ALUMNI MASS

10:30 AM · MADONNA DELLA STRADA CHAPEL
Join in this Rambler tradition, which includes a special blessing honoring members of the Class of 1968.

SPECIAL PRICING

Information about package options for those who register for more than one paid event may be found at the Alumni Weekend website.

REGISTER AND LEARN MORE · LUC.edu/alumniweekend