

DONOR PROFILE ENJOYING—AND SHARING—THE FRUITS OF HER LABORS

JOY ROGERS, PHD

Joy Rogers, PhD, is enjoying a well-deserved retirement in sunny Florida. She's earned it after a lifetime devoted to educating the next generation of teachers. As the retired professor of education soaks in the sun and swims daily, she also fondly remembers Loyola—the place that employed her for 34 years—and its educational mission. She recently established a second charitable trust annuity with Loyola to fund scholarships in education.

“When you get to be my age, you have enough and don't need anymore. So, you begin to think about what good you can do for others,” Dr. Rogers said. A product of parents who came of age during the Great Depression, she learned early on not to put all her eggs in one basket. “I've made many investments over the years and thought, ‘Why not give back?’”

Dr. Rogers's interest in education began while an undergraduate at Western Michigan University, studying secondary education with majors in psychology and English. She went on to earn Master of Arts and Specialist in Education degrees before completing a combined PhD program in education and psychology at the University of Michigan. She accepted a position at Loyola a few years later and remained there her entire career.

“I was very charmed by the educational development chair, Gerald Gutek, and by Professor Rosemary



Donatelli and Dean John Wozniak. I thought it would be a wonderful job, and it was.”

Soon after arriving on campus in 1972, Dean Wozniak asked her to develop a special education program. She had one up and running within two short years. The cross-disciplinary program encompasses children who may be learning disabled, cognitively impaired, and/or have behavioral disorders.

Then she was asked to develop a school psychology program because of a surge in demand for educators who could diagnose children needing special services. That program took a few additional years to win state approval and become part of Loyola's education curriculum.

Today, Dr. Rogers is grateful. “I have a wonderful life. I have everything I need,” she said. “And since scholarships, assistantships, and fellowships got me through school—all the way through—I am happy to give something back.”

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.

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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 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: *Madonna della Strada Chapel*

LOYOLA UNIVERSITY CHICAGO

LOYOLA LEGACY

GIFT PLANNING OPTIONS FOR YOU

SPRING/SUMMER 2019



If you are interested in creative ways to support Loyola and its students, receive fixed payments, and enjoy significant tax benefits, you should consider a charitable gift annuity. This issue examines the many advantages of charitable gift annuities and answers questions you may have about this type of gift. Loyola's Gift Planning team is available to help you determine the options that are best for you. LEARN MORE at LUC.edu/giftplanning.

LUC.EDU/GIFTPLANNING



A GIFT ANNUITY IS A SMART AND POPULAR CHOICE

There are some attractive reasons for donors to make gifts during their lifetimes rather than later through their estates. A charitable gift annuity is one type of gift that can immediately benefit both you and the charities that you support, like Loyola. You can give now to Loyola and receive fixed annual payments for life while benefiting Loyola students.

Six questions about charitable gift annuities

1 What are charitable gift annuities?

A charitable gift annuity is a simple, written agreement between a donor and a charity. In the agreement, the charity agrees to pay an annual amount quarterly, semi-annually, or annually in exchange for an irrevocable donation of cash, stock, or even real estate. The annuity provides fixed payments to one or two people for their entire lives, with the remaining funds going to Loyola. And since a gift annuity is a donation, there are no sales commissions or broker fees charged. You will receive the full annual payments as listed in the written annuity agreement.

2 I rely on the income my investments and savings generate. Can I make a contribution for a gift annuity and still maintain my standard of living?

Yes. Not only can a gift annuity allow you to maintain your standard of living, but it may also increase your annual cash flow.

First, it provides you with a fixed stream of payments for life. The specific rate you receive depends on your age, with older donors receiving a greater percentage than younger ones. (Younger donors can delay payments for a couple of years and receive a higher payout rate later on). You receive credit for a charitable contribution in the year that you fund the annuity, even if you delay payments to a later date.

\$100,000 gift annuity					
AGE OF ANNUITANTS FOR AN IMMEDIATE ANNUITY	PAYOUT RATE	ANNUAL PAYOUT	TAX-FREE PORTION*	CHARITABLE DEDUCTION	TAX SAVINGS 32% BRACKET
One annuitant					
65	5.1%	\$5,100	\$3,177	\$36,796	\$11,774
70	5.6%	\$5,600	\$3,763	\$40,159	\$12,851
80	7.3%	\$7,300	\$5,387	\$49,363	\$15,796
Two annuitants					
65 and 65	4.5%	\$4,500	\$2,740	\$31,767	\$10,165
70 and 70	5.0%	\$5,000	\$3,280	\$32,756	\$10,482
80 and 80	6.2%	\$6,200	\$4,507	\$42,759	\$13,683

AGE OF ANNUITANTS FOR AN IMMEDIATE ANNUITY	PAYOUT RATE	ANNUAL PAYOUT	TAX-FREE PORTION*	CHARITABLE DEDUCTION	TAX SAVINGS 32% BRACKET
One annuitant					
50 deferred to 60	6.8%	\$6,800	\$2,632	\$36,625	\$11,720
60 deferred to 65	8.1%	\$8,100	\$3,215	\$48,904	\$15,649
65 deferred to 70	10.5%	\$10,500	\$3,654	\$65,621	\$20,998

*For the life expectancy of the annuitants

Second, the payments you receive from a gift annuity may exceed the interest on popular investments like CDs, money market funds, and bank savings accounts.

In addition, your contribution for a gift annuity may enable you to claim an income-tax charitable deduction.

3 Are there any other tax advantages?

Definitely. You can claim a current income-tax deduction for the charitable portion of your contribution. Just as with any annuity, part of each payment you receive from a gift annuity over your life expectancy is tax free.

Save your itemized deductions

You may have discovered this year that you were unable to qualify for itemized deductions on your federal taxes because your standard deductions were not greater than the new thresholds of \$24,400 for married couples and \$12,200 for single individuals. A charitable gift annuity may help you get above the standard deduction and may allow you to itemize your deductions

Because of this, the real return from a gift annuity can be even higher than the stated rate of a traditional investment (such as the fully taxable yield from a CD, a money market fund, or a bank savings account).

Note: If you fund a gift annuity with appreciated stock or real estate that you have owned for more than 12 months, you may reduce long-term capital-gain tax on some of the increased value since your purchase of the stock or real estate. The gain you do recognize will be spread over your lifetime. In such cases, part of your annuity will be taxed as ordinary income, part will be tax free, and part will be taxed at lower capital-gain rates.

4 Will a gift annuity cause more of my Social Security income to be taxable?

No. Actually, it is possible that a gift annuity may result in less of your Social Security income being subject to tax.

Why? All income—even tax-exempt income—can work against you for purposes of determining how much of your Social Security income is taxable. Here is the good news: the tax-free portion of your gift annuity payout is not taxable income.

Depending on the asset(s) you use to fund the gift annuity, you may actually increase your cash flow and lower the amount treated as taxable income.

5 I am concerned that my spouse will also need income from all of my assets. Can a gift annuity make payments to both of us and then to the survivor?

Absolutely. As shown in the chart, a gift annuity can pay one or two people for their whole lives. Adding a second beneficiary just causes a small

reduction in the annuity rate and in the income-tax deduction.

6 Can I use a gift annuity to help take care of my elderly parents or an adult child with disabilities?

Yes. You can name anyone to receive payments from a charitable gift annuity that you set up. The payout rates will be determined by the ages of the people you choose to receive the payments. A gift annuity can provide a lifetime of income for one or two of your family members. Payments can be made consecutively, and you can even name yourself as the final annuitant. The annuity payout rate is determined by the age of the people receiving the payments.

If you would like more information or a free, no-obligation illustration of how a gift annuity could work for you, complete and mail the enclosed card, or contact Joseph Like, director of Gift Planning, at jlake@LUC.edu or 312-915-7641.



SECURE FUTURE INCOME

- Request your complimentary copy of our charitable remainder trust and/or gift annuity whitepapers to learn more about how these planned gifts may benefit you, your loved ones, and Loyola.
- Call the Office of Gift Planning at 312-915-7269.
- Request information online at LUC.edu/lifeincomegifts.
- E-mail giftplanning@LUC.edu.

Please save the date

Society of the Shield Appreciation Luncheon – June 4, 2019.
More information to follow.