

TALENTS

Wheaton College Gift and Estate Planning Newsletter



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Dear Friends,

Life can move very quickly. Taking the time to pause and contemplate what is truly important to each of us can be an exercise in discipline. We may ask ourselves, “What story do I want my life to tell?” For some, the past year and a half has required us to pause, reflect, and possibly even shift our priorities, the ways we use our time and resources, and where we direct our attention.

When it comes to making a lasting impact for the Kingdom, have you thought about remembering Wheaton College and your other favorite Christian ministries through your estate plan? You may have faithfully supported various important causes throughout your lifetime by tithing regularly. Perhaps you may also want to consider an estate tithe at your death with a charitable bequest through your Will, revocable trust, or retirement account. This may be something that you have not thought about before, but an estate gift can be a meaningful way to create a lasting and significant legacy for future generations. This issue of *Talents* will explore the importance of and various opportunities to remember Wheaton through your estate plans.

Dave Teune
Director of Gift Planning Services



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COLLEGE**
For Christ & His Kingdom



What Motivates Bequest Givers?

Giving Through a Bequest

Wheaton College serves Jesus Christ and advances His Kingdom through excellence in liberal arts and graduate programs that educate the whole person to build the church and benefit society worldwide.

Many people give charitably during their lives to support Wheaton's ministry of providing an excellent and integrative Christian higher education, as well as to churches, various ministries and humanitarian causes, organizations supporting the arts, and the list goes on. However, research on *bequest giving* (gifts made through an estate plan) has yielded some interesting findings. According to Russell James, a professor at Texas Tech University, "About 80 percent of Americans engage in charitable giving each year, but only about 5 to 6 percent of Americans over 50 have a charitable estate plan in place."

The "behavioral gap" between giving charitably during life and dying with a charitable estate gift may be explained by the decision-making that goes into making the gift.

There appears to be a different motivation and thought process among donors when it comes to bequest giving.

James and his colleagues used brain scanning to research how bequest giving differs from other charitable giving to discover the active parts of the brain when considering charitable bequests versus current giving. Their results revealed that "bequest decisions more strongly engaged two particular brain regions" – an area used to take an outside perspective on oneself (*precuneus*), and a visualization area (*lingual gyrus*), which previous studies have shown are the "same brain regions that were engaged when visually recalling one's own life and life stories." James' hypothesis was that "legacy giving is essentially a 'visualized autobiography' – a reflection on our life, our loves and our values; in choosing the people and nonprofits we want to pass our inheritance to we essentially write the final chapter of our life story." *Have you considered how you want to write the final chapter of your life story?*

There are many opportunities to leave a lasting legacy through a charitable bequest. Since Christian higher education is a highly capital-intensive project, Wheaton relies heavily on realized bequests of all sizes from faithful individuals to continue to thrive. Many residential four-year higher educational institutions face serious financial challenges as we move further into the 2020s and beyond, as there are fewer high school graduates and declining student enrollment. Bequests support Wheaton's financial health and are increasingly essential to furthering the College's mission of educating Christian young people to serve Jesus and advance His Kingdom.

There is greater opportunity now than ever before to support charitable causes through legacy gifts. It is estimated that the U.S. will see an unprecedented "great wealth transfer" over the next couple of decades. In fact, it is anticipated that Baby Boomers (born between 1944-1964) will be transferring \$30 trillion through their estates. Imagine the difference that could be made by directing a portion of those funds to Christian ministries like Wheaton College!

YOU CAN DIRECT THE USE OF YOUR BEQUEST

By specifically designating your bequest at the College, you can support what matters most to you. If your passion is for a particular program or division, your bequest may create, enhance, or grow that area of the College. For example, you can create or supplement an endowed scholarship and provide a meaningful opportunity for a student to study at Wheaton. Estate gifts can also establish an endowed chair for a professor, enhance the reach of student ministries, expand a college major, help fund an athletics program, or support a ministry like HoneyRock or the Wade Center. If you would like to designate all or a portion of your bequest to an endowed scholarship or to another specific use at Wheaton, please be sure to contact us or your Regional Director of Development to ensure that the bequest is used in the way that you intend.

If you have remembered or intend to remember Wheaton through your estate plan, we would love to hear about it. Knowledge of anticipated future bequests allows us to estimate and forecast future bequest support and thereby helps us to plan the College's current and future programs and activities. Please do not hesitate to contact us to discuss bequest giving.

DID YOU KNOW THAT WHEATON OPERATES A BANK?

Wheaton College Trust Company (WCTC) is a national bank that can act as fiduciary in your estate planning. For those who have substantially benefited Wheaton College through their estate plans, WCTC can serve as executor of a Will, successor trustee of a revocable trust, agent of a power of attorney for property, and trustee of a charitable remainder trust.

To learn more about this service and our policy requirements, please contact Wheaton College Gift Planning Services at 630.752.5332 or gift.plan@wheaton.edu.

A FEW HELPFUL TAX REMINDERS FOR 2021

- If you itemize deductions, you can deduct up to 100% of your adjusted gross income for charitable cash contributions made in 2021.
- If you take the standard deduction, you can additionally deduct charitable cash contributions made in 2021 up to \$300 for single taxpayers or \$600 if filing jointly.
- Now is a great time to consider a charitable gift of long-term appreciated property. Receive a full fair market value charitable deduction and avoid any capital gains that would otherwise be taxed if you sold the asset yourself.
- Significant legislative changes may be coming regarding capital gains taxes for appreciated property, so stay tuned for our next issue of *Talents*.



A Great Asset for Charitable Bequests

For many, a significant amount of wealth may be held in retirement assets, such as traditional Individual Retirement Accounts (IRAs), 401(k)s, and 403(b)s. These assets are often tax-deferred and may never have been taxed for income tax purposes. If an individual withdraws funds, they will pay income tax on those distributions. If you already plan to remember charity through your estate, making a gift using these assets is ideal because qualified charitable organizations like Wheaton can receive them tax-free due to their tax-exempt status.

Retirement assets are typically not subject to the provisions of a Will or revocable trust. Instead, a beneficiary designation form typically dictates the recipient of the assets at the owner's death. Using this form, you can name Wheaton and other charities as a primary or contingent beneficiary of your retirement account assets. Typically, you simply need to work with the custodian of the account to update your forms. After updating a beneficiary designation form, it is a good idea to get written confirmation that they have received it and it is on file.



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