



# Forward Thinking

Financial, estate, and gift planning ideas for Webster University alumni and friends



*Nancy Powers Pritchard '93 has endowed a creative writing scholarship, a gift that will someday be enhanced through her estate.*

## Inside:

- A window of opportunity
- Remember someone special
- Tax legislation highlights

## Nancy Through the Looking Glass

Nancy Powers Pritchard enthralled guests during a recent dinner bringing together scholarship students and benefactors. Her comments likened her Webster experience as an adult learner to *Alice in Wonderland*. The following excerpts illuminate her student years and subsequent success:

“This is my graduation tassel; BA, Class of '93—same year my youngest child graduated from college. With other random objects—expired passport, pink lipstick, chopsticks—I use it to help teach middle-schoolers in the St. Louis Public Schools about metaphor.

“Some kids have written, ‘The tassel is an old man’s beard’ or ‘The tassel is silky-smooth rain.’ But one student wrote, ‘The tassel is a prize.’ He didn’t know how close he was to putting my time at Webster University into a succinct, poetic line. But getting my degree was bigger than a prize: It was a day I never thought I’d see.

“What held me back? Life is full of unanticipated events—plans change. Looking back I can see that lack of confidence and purpose were my big hurdles. One day, after arranging all my socks accord-

ing to color, I knew I needed to do something more challenging: something just about me—so I decided to go to college. I chose Webster.

“In my literature classes I reveled in a world of stimulating ideas, debates about the significance and power of language, and heady conversations about things like ‘the act of authenticating memory’—a topic that rarely comes up at cocktail parties.

“In the Creative Writing Program I was Alice falling down the rabbit hole—frightened, thrilled, empowered. My professors encouraged me to write honestly, fiercely, without holding back and I learned more than simple craft and technique: I learned who I was and what I was capable of—and it was a lot.

“I immersed myself in college life. I ran cross-country—surely as one of the oldest intercollegiate athletes in Division III; I was a student ambassador and English as a Second Language tutor. I acted in a play. I ate it up. Before those days I was struggling, lacking the confidence to change my path. But earning this ‘prize’ was the beginning.

*Continued on back page*



## 2010 Tax Legislation Highlights

- Income tax hike avoided. Current rates extended for 2011 and 2012.
- Payroll taxes cut temporarily.
- Unemployment benefits extended.
- Gift and estate tax reunified.
- Charitable IRA provision for those 70½ and older extended.

The purpose of this publication is to provide general gift, estate, and financial planning information. It is not intended as legal, accounting, or other professional advice. For assistance in planning charitable gifts with tax and other financial implications, the services of appropriate advisors should be obtained. Consult an attorney for advice if your plans require revision of a will or other legal document. Tax deductions vary based on applicable federal discount rates, which can change on a monthly basis. Some opportunities may not be available in all states. ©MMXI RFSCO, Inc. All Rights Reserved. NQXX-11

# A Window of Opportunity

Did you know that more than 60 percent of Americans do not have a valid last will and testament? Many believe that this all-time high is a direct result of tax uncertainty over the past ten years.

As a result of new gift and estate tax laws, you may find you can include or increase the amount you wish to direct for charitable purposes from your estate, while your heirs receive the same amount or more than they would have under prior law.

Perhaps it's time to review and update your gift, estate and financial plans.

### *A limited window of opportunity*

The newly expanded and reunified gift and estate tax exemption creates opportunities to provide for loved ones now while possibly also including charitable distributions. The expanded exemption is scheduled to be reduced after 2012 and tax rates increased.

You can take advantage of giving opportunities now by using one of these plans:

- Charitable gift annuities can provide income for others while also making charitable gifts in the future.

- Another tax-wise planning tool is the charitable lead trust, which makes payments to charity first, then returns assets to family members or others named.
- The special provisions allowing those over 70½ to make tax-free charitable transfers directly from a traditional or Roth IRA was again extended, but is scheduled to expire at the end of 2011.

### *State laws, too*

Keep in mind that many states impose their own gift, estate and inheritance taxes. Check with your advisors about the impact of new tax laws on your long-range estate and gift plans.

### *What it means to you*

The new law provides many significant benefits that are scheduled to last for a limited time. If you wish to take full advantage of these benefits, you should act now.

Regardless of where you are in your life, careful planning can help you discover ways your resources might do more than you ever imagined.

# Remember Someone Special

Think of a person who helped shape your values by sharing knowledge and experience along the way. Whether a parent or other family member, a friend or perhaps a teacher, you may be interested in expressing your love or admiration through a special gift.

Memorial or tribute gifts can be arranged in a variety of ways and at any time: for birthdays, anniversaries, Mother's Day, Father's Day, graduation... whenever you would like to establish

a loving remembrance. By giving to Webster University in memory of another, you not only pay tribute to someone special in your life, your gift helps provide services and programs to students as they prepare for the future.

We would be happy to provide more information about the opportunities available for establishing a commemoration in the most effective and caring way.

# Estate Tax Returns

You may have read about the repeal of the estate tax for 2010 and uncertainty about the possible retroactive reenactment of it for that year.

## *More to give*

As it turns out, the new law reinstates the estate tax effective January 1, 2010 but allows those settling estates of persons who passed away in 2010 to elect to use the rules that are part of the new law (currently effective through 2012). A generous gift and estate tax exemption means the majority of people will have more assets available to provide for family, friends and charitable interests.

## *Charitable gifts still deductible*

Those who have accumulated amounts in excess of the new exemption equivalent will be pleased to learn that charitable gifts remain 100 percent deductible for gift and estate tax purposes. Not taxing such charitable distributions leaves more of the estate for non-taxable heirs than if those transfers were also subject to an estate tax of 35 percent.

## *A good time to review*

If your will, living trust, or other plans have not been recently reviewed or do not reflect your current wishes, now may be the ideal time to make sure they are up to date.

# The Charitable IRA

A special provision that allowed those 70½ and older to direct gifts from traditional and Roth IRAs to charity has been reenacted through December 31, 2011.

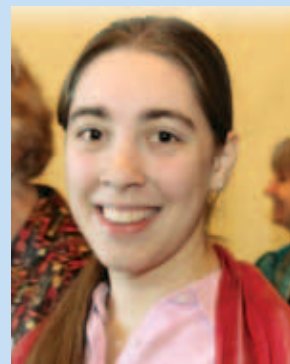
Many people who did not anticipate using these funds for personal needs have found this to be a very tax-wise way to support charitable interests like Webster University.

Qualified transfers up to \$100,000 may be made in this fashion. Funds transferred can count toward any minimum required distributions and are not subject to income tax. While no separate chari-

table deduction may be claimed, not having the charitable distribution subject to income tax is the equivalent of a 100 percent tax deduction.

Every donor over 70½ with an IRA who enjoys making charitable gifts should consider this special opportunity. According to a national survey, qualifying IRA transfers have ranged from \$25 to \$100,000.

More comprehensive information regarding making gifts from retirement assets is available online at [www.webster.edu/retirement](http://www.webster.edu/retirement).



Inés de Erasquin '11  
Sister Alice Eugene Tighe Scholar

## Scholarships That Honor Another

Dr. Mary E. Bickel '65 and her husband, Dr. J. Terry Gates, provide an annual scholarship honoring Mary's Webster piano professor, Sister Alice Eugene Tighe. Upon learning that she had been selected to receive the award, Inés de Erasquin wrote to her benefactors: "I discovered the letter on coming home from a midnight practice session, and to be honest with you, I sat down and cried over a mix of exhaustion and happiness!" Inés' full letter can be read at [www.webster.edu/studentstoryines](http://www.webster.edu/studentstoryines).

Annual Daniel Webster Society scholarships can be given through a gift of \$1,500 or greater.

Endowed scholarships provide perpetual funding and can be given as follows:

- \$500,000 Full Tuition Scholarship
- \$250,000 1/2 Tuition Scholarship
- \$125,000 1/4 Tuition Scholarship
- \$ 25,000 Partial Tuition Scholarship

All scholarships can be given in your name, or the name of someone you wish to honor. Webster's gift planning staff can also help you arrange funding over several years or through your estate.

## Looking Glass ... *continued from page 1*

“For the past nine years I have been a working journalist, a wonderful writing job. Last May I achieved another once-impossible goal by earning my Master of Fine Arts in Creative Writing. My poetry has been published and won prizes. Tomorrow, instead of filing for Social Security—which I could do—I’m starting a new career at Moneta Group. I’m excited and amazed by where I’m headed.

“When I came to Webster University in 1991 I was lucky; I had financial resources. If I hadn’t I know I wouldn’t be standing here, shaking hands with the president of the University, because lack of money can be an overwhelming obstacle. The scholarship I’ve started is a small but visible way of showing my gratitude for the chance I had to reinvent myself. I hope it will provide other aspiring writers—of any age—that same opportunity.

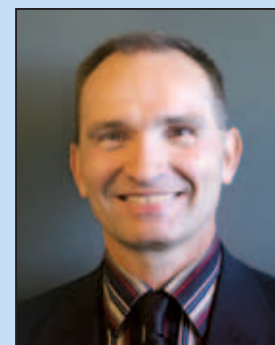
“This metaphorical tassel wasn’t just a prize; it was a doorway to a whole new life.”

Nancy continues to give back to Webster. In addition to her endowed scholarship she has included a bequest to Webster in her living trust. She serves on the Daniel Webster Society advisory board and has hosted Webster events in her home. You can watch Nancy share additional thoughts about her Webster experience at [www.webster.edu/donors](http://www.webster.edu/donors).

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### *About making a gift to Webster*

Now that tax law changes make it possible for many to leave more property to loved ones free of estate tax, you may wish to reexamine the role of charitable gifts as part of your long-term plans. You may be surprised to learn there are actually ways to provide enhanced security for yourself, a spouse, and/or others while also creating a legacy that will provide support to a favorite charitable institution, such as Webster University. We would be happy to talk to you and/or your advisors about the benefits of charitable gifts as part of your plans.



Ken Nickless

Our gift planning staff is available to respond to your questions and prepare illustrations specific to your needs. Please contact, without obligation:

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## For more information...

- I would like to learn more about making a gift
- through my will or living trust     of life insurance
  - of retirement plan remainders     of securities
  - of real estate     that provides me, or loved ones, with income.

Name *(please print)* \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone *(optional)* \_\_\_\_\_

E-mail *(optional)* \_\_\_\_\_

- I would consider including Webster University in my estate plans.
- I have already included Webster University in my estate plans.
- I am interested in making a gift to the University's Annual Fund and would like a University representative to contact me.

*This information will be kept strictly confidential*

FOLD AND SEAL (DO NOT STAPLE) FOR MAILING.



PLACE  
STAMP  
HERE

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WEBSTER UNIVERSITY