

# BEQUEST & CHARITABLE DESIGNATIONS



## Gift Planning Tip:

Retirement plans and IRAs can be among the most highly taxed assets in your estate. Factoring in the income tax on distributions, possible estate taxes, and generation-skipping taxes, the total tax bill for your heirs could exceed 70%. Consider a charitable estate designation to Penn State or use it to fund a life income gift that will provide for your heirs and, ultimately, the University.

The term “bequest” usually refers to a statement in your will or living trust describing your wishes to make a charitable gift after your death. It is also common to provide similar charitable designations through a retirement plan or IRA, life insurance, and/or revocable and irrevocable trusts.

## Why Should I Consider Making a Gift from My Estate to Penn State?

- >> Ensure a bright future for Penn State and continue the storied tradition of giving.
- >> Preserve the right to determine both the amount and the ultimate use of the funds within the University.
- >> Establish a fund, scholarship, professorship, etc., that bears your name or the name of someone you wish to honor in perpetuity.
- >> Maintain flexibility in the lifetime use of both your assets and income.
- >> Provide tax savings for your estate and heirs.

## How Can I Establish a Bequest or Estate Designation for Penn State?

### Step 1: SPEAK TO A REPRESENTATIVE AT PENN STATE REGARDING YOUR GIFT INTENTIONS.

University staff can assist you in identifying the most attractive and effective designations for your gift.

### Step 2: CREATE A NEW WILL OR LIVING TRUST OR MODIFY YOUR PRESENT WILL OR LIVING TRUST BY ADDING A CODICIL.

Sample language is available on the reverse side of this sheet that you can share and personalize with your attorney.

#### –OR– DESIGNATE PENN STATE AS A BENEFICIARY.

Most retirement plans and insurance policies have standard forms for naming Penn State as a beneficiary. Call or email a gift planning officer if you need any assistance in obtaining and filling out the forms.

### Step 3: NOTIFY THE OFFICE OF GIFT PLANNING REGARDING YOUR INTENTIONS.

Your notification affords us the opportunity to welcome you into the Atherton Society, a special group of benefactors who have chosen to include Penn State in their estate plans. However, if you wish, we can keep information about your plans entirely confidential.

### Step 4: PROVIDE THE OFFICE OF GIFT PLANNING WITH A COPY OF YOUR WILL OR LIVING TRUST OR BENEFICIARY DESIGNATION (OR THAT PORTION THAT REFERENCES PENN STATE).

We strongly believe that donors’ gifts should support the areas of the University that are meaningful to them. We accomplish this by drafting with the donor a statement of intent that specifies the intended use of the gift when it is received by the University. A statement of intent is a written record that ensures your wishes will be carried out as intended, and it can be easily modified if your interests change.

PENN STATE





**Let us help you plan.**

Penn State's Office of Gift Planning will confidentially answer your questions about giving and work closely with your legal, tax, and other advisers to come up with an integrated plan that meets each of your personal goals. Please contact us anytime or visit our interactive gift planning website at [giftplanning.psu.edu](http://giftplanning.psu.edu).

**Sample Bequest and Designation Language**

**SPECIFIC BEQUEST**

"I give to The Pennsylvania State University, c/o Office of Gift Planning, University Park, Pennsylvania, the sum of \$ \_\_\_\_\_ to be used by the University [for its general purposes] OR [for a particular college, campus, or unit within the University] OR [according to a statement of intent previously agreed to by the University and me]."

**RESIDUARY BEQUEST**

"I give to The Pennsylvania State University, c/o Office of Gift Planning, University Park, Pennsylvania, \_\_\_\_\_ percent of the residue of my estate to be used by the University [for its general purposes] OR [for a particular college, campus, or unit within the University] OR [according to a statement of intent previously agreed to by the University and me]."

**CONTINGENT BEQUEST**

"In the event that \_\_\_\_\_ predeceases me, I give to The Pennsylvania State University, c/o Office of Gift Planning, University Park, Pennsylvania, [the sum of \$ \_\_\_\_\_] OR [\_\_\_\_\_ percent of the residue of my estate] to be used by the University for [describe purpose or purposes—for example, the University's general purposes] OR [for its general purposes] OR [for a particular college, campus, or unit within the University] OR [according to a statement of intent previously agreed to by the University and me]."

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