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Size matters

According to current law, estates worth up to these amounts will be exempt from federal estate tax:

2008	$2 million
2009	$3.5 million
2010	full exemption: no tax
2011	$1 million
2012	$1 million

Assets held in these plans can pass to KU Endowment tax-free: IRAs; 401(k) plans; 403(b) plans; profit-sharing plans; Keogh (HR 10) plans for the self-employed.

The best way to slice it

Make the most of your retirement assets

Consider: An IRA worth $1 million that is passed to heirs may be reduced to less than $360,000 before it reaches them. But that same IRA, passed to KU Endowment, will be worth … $1 million.

In effect, an extra $640,000 stays on the plate to do some good: to support scholarships, research or any favorite program.

Retirement account funds passing to heirs may be sliced up by double taxation. They're cut by the income tax that was deferred when the funds were deposited — that's unavoidable — and by the deep bite of estate tax, if it applies.

In contrast, retirement account funds bequeathed to a qualified public charity such as KU Endowment incur no estate or income tax liability. None, zip, nada.

The most efficient way to serve up retirement plan assets to KU is to name The Kansas University Endowment Association (our legal name) on the plan document as a designated beneficiary of all or a percentage of the assets. The plan administrator can provide necessary forms, and changing the designation is easy.

With a signature, donors can shield the pie from the tax knife — and virtually triple the effect of their giving.

— Charles Higginson

FIND OUT MORE

For more information, call Jack Schwartz at 800-444-4201 or visit kuendowment.org/giftplanning/.