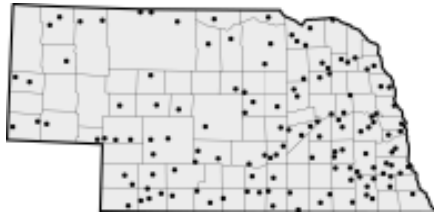


# Nebraska Community Foundation, Inc.

The Nebraska Community Foundation exists to help concerned individuals mobilize charitable giving to support the betterment of Nebraska communities and organizations. The Foundation is a nonprofit charitable corporation providing financial management, strategic development and education/training services to communities, organizations and donors throughout Nebraska. Started in 1993, the Foundation provides affiliated fund status (allowing communities and organizations to achieve

nonprofit charitable status without forming their own nonprofit corporation)



to more than 150 communities, organizations and donors. For more information about the Nebraska Community Foundation call 402/323-7330 or visit the website at [www.nebcommfound.org](http://www.nebcommfound.org).

The single most important factor in community success is involvement of citizens in their community. Your gifts of time, talent and dollars make a difference.

**Please consider what a gift from your retirement plan would do for your community and for you.**



*the*  
Cheyenne County Community  
**center**  
The Cheyenne County Community Center  
627 Toledo Street  
Sidney, NE 69162  
[www.cheycocenter.org](http://www.cheycocenter.org)

# Gifts of Retirement Plans

- √ A Gift for the Benefit of Your Hometown
- √ A Gift that Avoids Double Taxation
- √ A Gift That Benefits Your Estate & Heirs

For the benefit of

*the*  
Cheyenne County Community  
**center**

an affiliated fund of



**NEBRASKA COMMUNITY**

FOUNDATION

[www.nebcommfound.org](http://www.nebcommfound.org)

## Invest in Your Community...

Many Nebraskans have taken advantage of generous tax incentives provided by Congress to encourage savings for their retirement years. Known as "qualified" retirement plans, these plans, Individual Retirement Accounts (IRAs), 401(k), Keogh and others, feature income tax benefits when contributions are made to the plan. Plus, the money in the plan accumulates tax-free until it is withdrawn for retirement.

## Double Taxation

If you choose up-front to not pay taxes by saving for retirement in a qualified plan, your family will be required to pay the taxes later...and quite likely in significant ways.

When your qualified plan terminates, most likely at the end of your life or that of your spouse, the plan can potentially be subject to double taxation: Estate Tax and Income Tax.

## Your retirement plan could be taxed up to 70% if you don't do the proper planning!

### Examples:

- ◆ A \$100,000 retirement plan in a \$500,000 estate (below threshold for estate taxes) creates \$38,560 in income taxes - leaving \$61,440 for the family.
- ◆ A \$250,000 retirement plan in an \$1,250,000 estate (above the threshold for estate taxes) creates \$167,300 in income and estate taxes - netting \$82,700 for the family and resulting in a 67% shrinkage from taxes.

**"People have plenty of opportunities to give their money away. Why not give it back to the community where you lived and made your money?"**

**-- Frank Sibert  
Foundation Board Member &  
Retired Rancher of Valentine**

## Given this potential "tax bite" how can you minimize or avoid this heavy taxation?

Simply leave your hometown all or a portion of your IRA or other qualified plan. Here are some ways to use your qualified plan to benefit your hometown and favorite charities, while minimizing tax consequences.

### ■ Beneficiary Change

Simply change the beneficiary designation on your account to the Nebraska Community Foundation for the benefit of your hometown or other favorite charities for all or a portion of the account balance. Favorable new IRS rules have made this option more attractive without increasing your required minimum annual payments at retirement.

### ■ Contingent Beneficiary

Naming the Nebraska Community Foundation as a contingent or secondary beneficiary for the benefit of your hometown or other favorite charities gives your heirs the option to decline their right to receive your account assets should they decide not to pay the potentially heavy taxation on the account assets.

### ■ Income for Family

Your retirement account's value may be preserved and income provided to your family with the use of a Charitable Remainder Trust. The use of this trust could greatly reduce your federal estate taxes. Additionally, no income taxes would be payable on your retirement account assets.

### ■ Asset Replacement

In some situations, it may benefit your family to name the Nebraska Community Foundation as the beneficiary of your retirement plan. A newly purchased life insurance policy could replace the value of your retirement plan that would have gone to your family, without the tax consequences.

**70% Taxation Possible...  
Without Planning!**

## Would you like to learn more about the benefits of making a gift to your hometown or favorite charities from your retirement plan?

The Nebraska Community Foundation, in accordance with its mission, would be glad to help. You can:

1. Complete and return this form to the address listed below,  
  
or
2. Contact one of the gift planners listed here:
  - Jim Gustafson, Planned Giving Consultant  
[jgustafson@nebcommfound.org](mailto:jgustafson@nebcommfound.org)  
(402) 323-7341
  - Jeff Yost, President & CEO  
[jeffyost@nebcommfound.org](mailto:jeffyost@nebcommfound.org)  
(402) 323-7332

Name(s) \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Phone(s) \_\_\_\_\_  
E-mail \_\_\_\_\_

\_\_\_\_\_ I would like someone to contact me regarding a private and confidential visit about planning a gift from my retirement plan.

\_\_\_\_\_ Please send me a personal illustration of how a gift from my retirement plan could benefit me.

\_\_\_\_\_ In confidence, I have already included my hometown in my will.

**Please Mail or Fax to:**  
Nebraska Community Foundation  
P.O. Box 83107  
Lincoln, NE 68501-3107  
Phone: (402) 323-7330 Fax: (402) 323-7349  
Visit [www.nebcommfound.org](http://www.nebcommfound.org)