

Charitable Gifts from IRAs and Other Pension Plan Assets

Naming Amherst College a beneficiary of your retirement assets is one of the easiest ways to provide for the future of the College.

Add Amherst College directly to the form you receive from your retirement plan administrator, and you'll be supporting future generations of Amherst students. The forms are often available on your retirement plan's website and can often be filled out on-line.

Remainder Beneficiary Designation

Amherst can be the sole beneficiary, one of several beneficiaries, or a contingent beneficiary. And, this is a revocable designation, which can be changed at any time.

Some donors name a spouse as the primary beneficiary and a charity as the contingent beneficiary. Others split the plan into two accounts, one designated for a spouse and/or children, the second to provide a bequest to charity.

Special Taxation Rules for Pension Assets

Amherst is a tax-exempt institution, so retirement plan assets directed to the College are not taxed. The amount Amherst receives is more than would otherwise go to your heirs because, when the funds remaining in your retirement plan go to your heirs, income tax (and estate tax if any is due) is owed on the assets.

Testamentary Rollover to a Charitable Trust:

A charitable remainder trust can be named as the beneficiary of a retirement plan. Income taxes that would otherwise be imposed are avoided, and the

estate receives a partial estate tax deduction for the future gift to charity.

Outright Gifts

IRA account owners who have reached age 70½ can transfer up to \$100,000 a year from their IRAs directly to qualified charities. These gifts are excluded from income for federal tax purposes, and qualify as part of your minimum required distribution. This option is available for IRA assets only, and does not apply to other retirement plans.

Gifts must be made directly from your IRA account to the qualified charity(ies), and cannot come to you first. Your plan administrator will have instructions.

To learn more

To learn more about the ways retirement assets can be used for making charitable gifts to Amherst, please see our website

giftplanning.amherst.edu

or contact Julie Lackner, Director of Gift Planning, Amherst College, PO Box 5000, Amherst, MA 01002-5000, phone: 413-542-5193, fax: 413-542-2042, email: jlackner@amherst.edu.

As with all matters related to charitable giving, individuals are strongly encouraged to consult with their financial advisor.