

Gifts by Beneficiary Designation



A Legacy Made Simple

Where you direct your lifetime of earnings and savings says a great deal about you – what you have held dear, what has touched you and enriched your life, and what you want to ensure for the next generation. Even if you do not yet have a will, you most likely still have retirement accounts and other assets that will need to be passed on.

Amherst College educates men and women of exceptional potential from all backgrounds so that they may seek, value, and advance knowledge, engage the world around them, and lead principled lives of consequence. As someone who recognizes the importance of supporting this transformative pursuit, we invite you to find a place in your final arrangements for Amherst College alongside family, friends and other loved ones by designating the College as a beneficiary of your retirement accounts and other assets.

Assets to consider designating for Amherst College:

- Retirement plan assets
- Life insurance policies
- Commercial annuity contracts
- Bank and investment accounts

Benefits of a gift by beneficiary designation:

- **Flexible** - assets remain in your control should you need them.
- **Easy to arrange** - doesn't require a change to your will; simply name "Trustees of Amherst College" as beneficiary."
- **Revocable** - you can change your gift designation at any time.
- **Tax-wise** - funds passing by beneficiary designation to Amherst College are not subject to income or estate tax. This means 100% of your gift is available for use by Amherst College, as you direct.
- **Family-friendly** - you can name family or other loved ones to benefit from some of the asset, with Amherst College receiving the remaining portion.
- **Support your cause** - your gift helps ensure Amherst College has the resources it needs to fulfill its mission and serve future generations.

**“If you come away loving Amherst, it’s
important to say thank you in some way.”**

— Dan Sullivan '69

Retirement assets. These include IRAs (regardless of the type of IRA) and most qualified retirement plans, such as 401(k) and 403(b) plans. Request a Beneficiary Designation Form from your plan administrator and designate Trustees of Amherst College as a beneficiary of either a percentage of your plan balance or of a specific dollar amount.

Retirement assets can be taxed at rates as high as 50% to 70% if you leave them to someone other than a surviving spouse. This is because most distributions* to an individual from an IRA, 401(k), 403(b), or other qualified retirement plan are subject to both income tax and estate tax.

In contrast, retirement funds that pass to Amherst College by beneficiary designation are not subject to either of these taxes*. From a tax standpoint, a transfer of assets remaining in an IRA or other retirement account is the very best charitable gift.

Life insurance policies. Simply complete and return to your insurance company a form designating Trustees of Amherst College receive all or a portion of the death benefit associated with your life insurance policy.

Commercial annuity contracts. A commercial annuity will sometimes have a remaining value at the end of the annuitant's lifetime. You can name Trustees of Amherst College to receive all or part of this amount by designating it as a beneficiary (sole or partial) on the appropriate form from the insurance company.

Bank account. You can instruct your bank to pay to Trustees of Amherst College all or a portion of what remains in your checking or savings account. This is often referred to as a "Pay on Death," or P.O.D., designation, and your bank can provide you with the appropriate beneficiary designation form.

Investment account. You can instruct your investment company to transfer to Amherst College some or all investments held in your account at the time of your passing, known as a Transfer on Death, or T.O.D., designation. Your broker or agent can let you know the process for doing this – it may be as simple as adding "T.O.D. to Trustees of Amherst College" after your name on the account.

NEXT STEPS:

To receive further information and assistance on beneficiary designation, or to learn more about how your gift can help Amherst College, please contact Julie R. Lackner, JD.

- call (413) 542-5193
- email jlackner@amherst.edu

* Exceptions to the possible double-taxation include distributions from a Roth IRA or distributions attributable to contributions of after-tax dollars to other types of IRA. Because everyone's situation is different, we encourage you to seek professional legal, estate planning, and financial advice before deciding on a course of action. This information does not constitute legal or financial advice and should not be relied upon as a substitute for professional advice.