

POPULATION CONNECTION

Financial and Gift Planning Ideas for Our Friends

2018, VOL. 4

PRIME TIME FOR PLANNING

As we enter the fall season, now is a good time to review important financial decisions, such as how to make your charitable gifts before the end of the year. Thoughtful planning today can make it easier to balance your personal and philanthropic goals.

Whether you already have financial plans in place or you are just beginning the process, it's important to think about how to accomplish your goals. There are ways to take care of loved ones and continue your support of Population Connection both now and in the future.

At year-end, cash gifts are popular and convenient to make. These gifts are typically made by check or online with a credit card. Cash gifts must be completed before December 31 to be deductible for 2018.

When making your gifts, remember to save your receipts and acknowledgments. If you will continue to itemize your deductions for tax purposes, you can deduct cash contributions up to 60% of your Adjusted Gross Income (AGI). While few people reach this limit, the tax code allows donors to "carry forward" excess gift amounts for up to five more years. Your charitable gifts may even help you itemize more of your other deductions such as mortgage interest and up to \$10,000 of state and local taxes.

An even smarter way to make your year-end gifts is with appreciated securities because they offer additional benefits. If you are considering a gift of securities, allow extra time to make certain your gift is completed this year by December 31. You'll learn more about tax-wise giving strategies on Page 2.

We hope these ideas and others presented are helpful as you make your plans for the remainder of 2018 and beyond. If we can provide you or your advisors with more information, confidentially and with no obligation, please return the enclosed card or contact us.



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A woman manually irrigates potato crops on Mousuni Island in the Sundarban Delta of West Bengal, India. In 2018, India has faced its worst water shortage in history due largely to agricultural demands of an increasing population outpacing freshwater supply.

Population Connection would like to thank all our members of the ZPG Society for ensuring a sustainable future by including us in their estate plans!

TAX-WISE STRATEGIES FOR MAKING YOUR YEAR-END GIFTS

Giving appreciated securities

When you give securities or other property that has increased in value, you can often make the gift at a much lower cost than an equivalent gift of cash. Using securities that you have owned for a year or more to make your year-end gifts can be a wise choice.

When you give this way your tax deduction is based on the current value of the stocks, not just the amount you paid for them. As an added benefit, no capital gains tax will be owed on the increased value.

For example, suppose you were considering a charitable gift of \$10,000, either cash or appreciated stock. Which is the better choice? Let's assume you originally purchased stock for \$2,000 and it is now worth \$10,000. If you sell the stock, you will owe capital gains tax on the \$8,000 increase in the stock's value.

However, by using the securities to make your gift, you will pay no capital gains tax and you will obtain a tax deduction for the gift if you itemize. Making your gifts with stock enables you to use your cash in other ways—for example, repurchasing the same stock at a higher cost basis if you prefer to retain the stock in your portfolio.

Giving appreciated securities also allows you to conserve your cash because it doesn't require you to

withdraw a penny from your bank account. Please contact us or your financial advisors to find out the best way to make a gift of securities that will allow you to enjoy savings on capital gains and income tax, while conserving cash for other uses.

Giving from your IRA

If you are age 70½ or older there is a special provision that allows you to make your charitable gifts (which are called Qualified Charitable Distributions) directly from Individual Retirement Accounts (IRAs) to Population Connection using funds that might otherwise be taxed when withdrawn. Gifts can be made up to a total of \$100,000 per individual, per year; \$200,000 per couple.

Because you are giving directly from your IRA, you won't increase your AGI and possibly subject your Social Security or other income to higher levels of taxation. Another advantage of giving in this way is that you offset your Required Minimum Distribution and avoid taxes on the extra income.

Ask your IRA custodian for a form to arrange for a Qualified Charitable Distribution. And for more information, return the enclosed card or contact us.

SAMPLE BEQUEST LANGUAGE

"After fulfilling all other provisions, I give, devise, and bequeath _____% of the remainder of my estate [or \$_____ if a specific amount] to Population Connection [Tax ID # 94-1703155], a charitable corporation currently located at 2120 L Street NW, Suite 500, Washington, DC 20037."

If you do remember Population Connection in your estate plan, please let us know! We'll be happy to invite you to join the ranks of other forward-looking members in our *ZPG Society*.

Your legacy will support Population Education as we train more than 12,000 teachers and reach more than three million students in the U.S. each year. Thank you!



WE'RE ALL IN THIS TOGETHER

It was around 1970 that Mr. Robert Goodwin began to realize population growth was a serious issue. He had just moved from Indiana to upstate New York and was taking full advantage of nature's bounty by hiking and backpacking at every opportunity in the Adirondack Mountains.

Mr. Goodwin started getting involved in local issues when the New York Legislature was reconsidering how to manage the Adirondack Park and its "forever wild" lands.

"Hearings were held to get citizen input on this process, and I attended one of the hearings," Mr. Goodwin recalls. "As I listened to the discussion, I was struck by how much wilderness meant to the core of the speakers' beings."

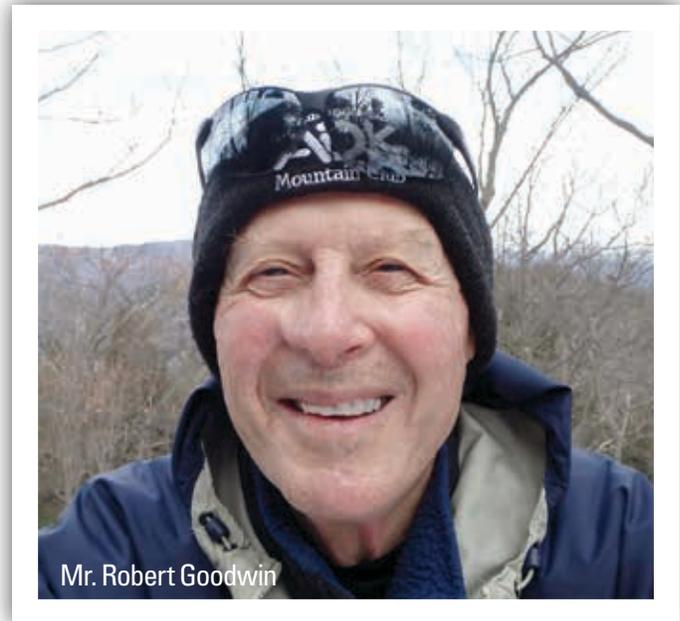
Mr. Goodwin had grown up in the suburbs and relocating to a rural setting had started to shift his perspective—his enjoyment of nature and the importance of preserving it.

The local hearings about the Adirondacks set his alarm bells ringing. "When a society feels it is necessary to develop areas that were previously set aside because of their unique character, this is a warning message that we are going too far," he says.

It was during this time Mr. Goodwin saw an appeal to support ZPG (around the time the organization was founded!), and he said it just clicked intuitively. "I realized wilderness preservation—limiting people's impact on our environment—should be held as the gold standard." Ever since, global population growth has been at the forefront of his concerns.

Although Mr. Goodwin is wary of the strain on resources, and threat of conflict that looms due to an increasingly crowded planet, he hopes we can "all just step back and see the Population Connection."

This was what inspired him to include Population Connection in his estate plans. "What Population Connection teaches represents the overarching requirement for environmental and



social welfare. We are perhaps unique among the animal kingdom in being able to step back and look at our current situation in order to chart a different future," he says.

Ultimately, Mr. Goodwin believes we're all in this together. This is the mantra that has motivated his life and his giving. "I will do what I can to make the world in which we live a better place, and I rejoice with the many others who do the same."

Mr. Goodwin hopes people will learn to prioritize the earth and its creatures so that all living beings can thrive.

"One of the more hopeful signs is seeing women taking a more central role in leadership. In my experience, women often take a more realistic and sensitive view of things. My family has always been blessed with strong and capable women, and it has worked well for us!"

Population Connection recognizes Mr. Goodwin for his many years of support. By leaving a bequest in his estate plans, he is leading by example in prioritizing the earth for future generations to thrive!

YOU NEVER NEED TO CHANGE YOUR WILL OR TRUST UNLESS...

It has been said that change is the only constant in life. Many of life's most common events can necessitate a periodic review—and possibly an update—of your estate plans. Here are a few:

Your property has changed. The sale, purchase or inheritance of assets can considerably alter the makeup of your estate. You may find that your current plans no longer “match” the properties you own.

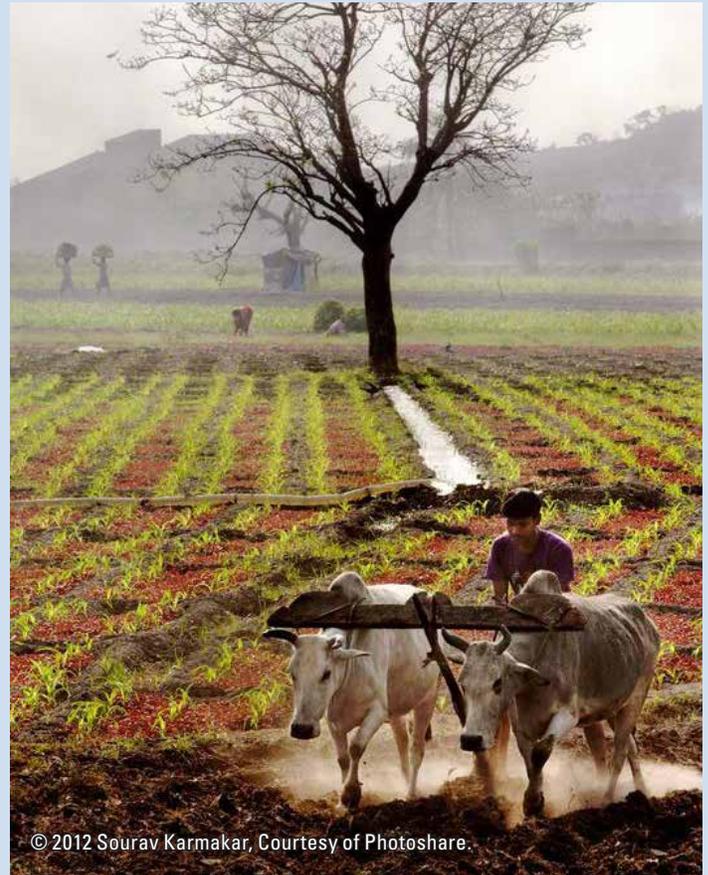
Your address has changed. If you have moved to another state since you last reviewed your plans, you should make sure no changes are needed in light of the laws of your current state of residence.

The needs of loved ones have changed. Over time, some loved ones may become more independent while others may have greater needs. Your will should reflect such changes and, after providing for the needs of family and friends, you may wish to update the charitable gifts included in your will or other plans.

Your family has changed. The loss of a loved one or an addition to your family may have an impact on the terms of your will. Revisions can be simple but should always be made with the assistance of a qualified attorney.

Laws have changed that may affect your estate plans. This year brought about some tax law changes that will affect virtually everyone. It is best to seek the advice of your professional advisors when there are new tax laws to determine if the changes will affect your existing estate plans.

We are happy to discuss charitable options with you and offer ways to continue your support of Population Connection in the future. Simply return the enclosed card or contact us.



A man plows a field with a team of oxen in rural West Bengal, India. India is the second most populous nation in the world, and they are sustained by increasingly insecure crop yields due to the effects of climate change.



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Masthead photo: Waterfalls in Shillong, India.
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