

POPULATION CONNECTION

*Financial and Gift Planning Ideas
for Our Friends*

2020, VOL. 2

WE'RE IN THIS TOGETHER

We hope you're doing well. As the COVID-19 pandemic continues to present challenges for us all, we're grateful to you for continuing your support of our mission to stabilize the world population at a level sustainable for Earth's resources. Thank you!

As we face these challenging times together, Population Connection remains committed to eliminating barriers to reproductive rights for people around the world. We seek to empower people—especially women and girls—and to ensure they are fully able to decide for themselves whether, when, and with whom to have a child. We are able to

achieve these goals through the generosity of loyal donors such as you.

After first providing for the needs of family, friends, and other loved ones, growing numbers of people are arranging long-range gifts in their wills or other estate plans. If you have made such a gift, or are considering doing so, please know we greatly appreciate your contribution. Legacy gifts have and will continue to make a profound difference in our ability to carry out our mission. Thank you for your support.

TIMES CHANGE...HAVE YOUR PLANS?

Whether you realize it or not, your estate plans may need to be changed. The addition or loss of family members, changes in tax laws, fluctuations in asset values, or changes in your charitable priorities can, over time, call for revisions to even the most well-considered plans.

Regular updates can be valuable

Schedule periodic estate plan reviews with your attorney and other advisors to ensure your

arrangements stay up to date. A will made several years ago may not adequately provide for your current circumstances.

For example, the value of a home, stocks, bonds, and other assets can change over a period of ownership. Any of these could call for important changes in your will and other estate plans.

Should your assets decline in value, you will also want to assess plans to make sure your wishes can still be carried out.

Have you already notified us of your plans? Thank you!
We're grateful to you and honored to include you in our ZPG Society.

MAKE AN IMPACT

Charitable giving is often about making a difference and helping others. Because of you, Population Connection can continue our vital mission well into the future. Here are some ideas to consider if you would like to increase your charitable giving this year:

Giving real estate

If you sell real estate you have owned for a number of years, you may be faced with a substantial capital gains tax, especially if the property is not your principal residence. By making an outright gift of such property to Population Connection, a double tax savings is possible. First, in most cases you will receive a charitable income tax deduction for the full current value of the property—not just the original purchase price. In addition, you will not owe any capital gains tax on the transfer because the property was donated rather than sold.

Giving through your IRA

Make tax-free gifts from your IRA. If you are age 70½ or older and would like to make a current gift to Population Connection, you can make a qualified charitable distribution (QCD) from an

IRA completely free of federal income tax (up to \$100,000 per person, per year; \$200,000 per couple with separate IRAs). Giving directly to Population Connection from your IRA won't increase your adjusted gross income (AGI), ensuring your Social Security income will not be subject to a higher level of taxation (see more about this on Page 4).

Giving through your retirement plan

Make Population Connection the beneficiary of your retirement plan. When you leave the balance of an IRA, 401(k), or 403(b) to your heirs, they must carefully manage the account to avoid losing its tax-deferred status and potentially triggering large income taxes and possible penalties.

You can simplify matters for your loved ones by directing all or a portion of what remains in your retirement accounts to Population Connection and leave more tax-favored assets to your heirs. This gift will truly help to advance our shared goals.

For more information about naming Population Connection as the beneficiary of your retirement plan, or if we can answer any questions about the charitable aspects of your plans, please contact us.

While we find innovative ways to reduce human impacts on the environment, stabilizing global population remains one of the most powerful ways to ensure a sustainable future for us all.

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*.



HELPING POPULATION CONNECTION'S MISSION WHILE BOOSTING RETIREMENT SECURITY

Jim Larson of Minnesota became an official member of Population Connection in 1986, but his involvement with our cause began much earlier. “From the very beginning,” he said, “I remember reading ‘The Population Bomb,’ and I started getting into the issue and then there was Earth Day in 1970, and that was about when I joined Zero Population Growth.”

Growing up, Jim’s father worked for Gulf Oil and his family lived in Venezuela and Nigeria. “Even back then, Nigeria was Africa’s most populous country. We lived in the densely populated capital city of Lagos, which has subsequently grown into Africa’s largest megacity.”

While living abroad, Jim’s family enjoyed quite a bit of world travel. “Every year, we flew back to the U.S., to Fresno,” he said. “One year, we visited about four countries in Central America, as well as Mexico, and when we moved to Nigeria, we traveled to the U.S. via Europe. We saw Rome, Athens, Paris, London. I’m glad I had the opportunity.”

For high school, Jim attended a military boarding school in Roswell, NM. He went on to obtain his bachelor’s degree in electrical engineering from Northwestern University and then served in the Navy. Afterwards, he attended The Ohio State University, where he obtained a master’s degree in electrical engineering. When a job opened up in 1977 at an electric utility in Minneapolis, he moved there. After so many travels, that’s where Jim settled.

Now retired, Jim likes to spend time contributing his knowledge to online forums, discussing energy and economics, statistics, job numbers, and more. He leads an active lifestyle, jogging along some of Minneapolis’s parkland trails. He maintains an avid interest in astronomy and star-gazes most nights. “I’ve learned all the bright stars, and even if you can’t make out the constellations due to light pollution, you can see the asterisms, or collections of the brightest stars that typically span multiple constellations. I’ve learned several of these asterisms, such as the Summer Triangle and the Winter Hexagon. I look out every night, even though two-thirds of the time, it’s cloudy.”



Until recently, Jim also spent some of his time managing a raisin vineyard in Kerman, CA, near Fresno, which he inherited from his parents. Leasing the property to a farmer who cultivated and harvested the raisins, Jim received 20% of the crop proceeds each year, while the farmer received 80%. Even so, with property taxes and other expenses, and uncertain crop years, plus new and ever-expanding (but necessary) regulations on nitrates and ground water usage, Jim’s vineyard became more of a headache to him as time went on.

He decided to contribute the vineyard to Population Connection in order to set up a deferred charitable gift annuity. Upon our receipt, we sold the vineyard and deposited the proceeds into a special fund dedicated solely to maintaining our annuity payment obligations.

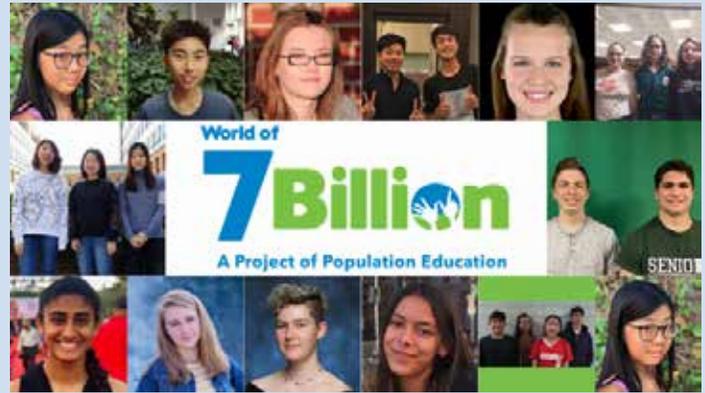
The property appraised at a much higher value than he anticipated, allowing him to plan for annuity payments that were more than double what he earned after expenses from his share of the crop proceeds. In the meantime, Jim avoided the selling hassles and expenses; avoided significant capital gains taxes; received a sizeable tax deduction that could be carried forward over five additional years; and has begun receiving fixed annuity payments that will never change for the rest of his life.

While we will maintain the funds from Jim’s property in this special dedicated account throughout his lifetime, upon his passing, we will invest the remainder of his generous gift back into our work—fueling our mission to stabilize global population. As Jim said, “I think overpopulation is an exacerbating factor in just about every problem we have in the world.” We couldn’t have stated it better ourselves, and we’re glad to have Jim’s generous support to tackle global population growth and help create a better, safer, less-crowded planet.

CARING IN DIFFICULT TIMES

Several provisions included in the *CARES* (Coronavirus Aid, Relief, and Economic Security) Act provide income tax incentives to donors assisting charities during the coronavirus pandemic. Among these:

- For those who don't itemize their taxes, an above-the-line deduction of up to \$300 for a single filer, and \$600 for married filers, is available for cash gifts to public charities in 2020, providing you with tax savings, by reducing your AGI.
- For those who do itemize their taxes, the usual limit on deductions for cash gifts is suspended for 2020. Taxpayers are able to deduct up to 100% of AGI for cash gifts to public charities this year. In general, donors may claim deductions for cash gifts up to 60% of AGI and for gifts of appreciated property up to 30%. Excess deductions may be carried over for up to five additional years.
- Many taxpayers will receive rebate checks from the IRS of up to \$1,200 for individuals and \$2,400 for married couples, with an additional \$500 for each child. Rebates begin phasing out for those with AGI in excess of threshold amounts, generally based on their 2018 income tax return. Some donors may find it satisfying



An estimated 5,500 students worldwide participate in our annual *World of 7 Billion* video contest, creating short films on how population growth impacts other global issues. View winning videos at worldof7billion.org

to make a gift of their rebate amount to a charity, such as Population Connection.

- For 2020, required minimum distributions from IRAs are suspended. Those age 70½ and older may still make qualified charitable distributions (QCDs) of up to \$100,000 annually to Population Connection, even though no distributions are required this year. QCDs are made with money that has never been—and never will be—subject to income tax.

For more information, or if we can assist with the charitable aspects of your plans, please contact us.

The purpose of this publication is solely educational, namely to provide general gift, estate, financial planning and related information. It is not intended as legal, accounting or other professional advice, and you should not rely on it as such. For assistance in planning charitable gifts with tax and other implications, the services of appropriate and qualified advisors should be obtained. Consult an attorney for advice if your plans require revision of a will or other legal document. Consult a tax and/or accounting specialist for advice regarding tax and accounting related matters. © Copyright 2020 by Sharpe Group. All Rights Reserved. NNNPDF-20



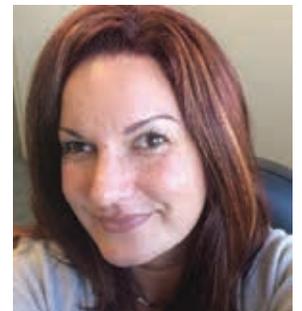
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Masthead photo: Sunset in Lofoten
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