

POPULATION CONNECTION

*Financial and Gift Planning Ideas
for Our Friends*

2020, VOL. 4

MAXIMIZE YOUR YEAR-END GIFTS

Fall is traditionally the time when we think about making gifts to support our favorite charities, including Population Connection. This year, there are many options for tax-effective giving, both for those who can continue to itemize their deductions and for those who will no longer itemize.

Making your gift with appreciated securities

There continue to be benefits to giving appreciated property, such as stocks, bonds, and mutual funds. If you itemize, you may claim an income tax deduction for their full value.

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.

By giving 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.

Giving appreciated securities also allows you to conserve your cash because it doesn't require you to withdraw a penny from your bank account.

Making your gift from your IRA

If you are age 70½ or older, there is a special provision that allows you to make your charitable gifts (or qualified charitable distributions) directly from individual retirement accounts (IRAs) using funds that might otherwise be taxed when withdrawn. Gifts can be made in any amount up to a total of \$100,000 per individual per year; \$200,000 per couple with separate IRAs.

Because you are giving directly from your IRA, you won't increase your adjusted gross income and possibly subject your Social Security or other income to higher levels of taxation. These tax-free gifts are particularly wise for those who no longer itemize deductions for income tax purposes.

Please contact us for more information about these ways of charitable giving.

Do you already have a charitable gift annuity with us? Thank you!
We're grateful to you and honored to include you in our ZPG Society.

THE BENEFITS OF GIVING IN 2020

Cash gifts, usually by check or credit card, are the most common type of charitable gift. For 2020, special tax benefits are available for gifts of cash on your federal income tax return. Those who don't itemize can take advantage of a \$300 above-the-line charitable deduction that reduces taxable income.

If you itemize, the deduction limit for cash gifts is boosted from 60% of adjusted gross income (AGI) to 100%. For example, if your AGI is \$75,000, normally you'd only be able to deduct up to \$45,000 for cash gifts made during the year. For 2020, however, you can give and deduct up to the full \$75,000. Any excess may be carried over for up to five additional years. The deduction for gifts of appreciated stock is limited to 30% of AGI.

If you don't ordinarily have enough deductions to itemize, you might consider ways of boosting your deductions, thereby exceeding the standard deduction. You could bunch charitable gifts by making your 2020 and 2021 gifts this year, possibly prepaying any outstanding charitable pledges.

Several options provide deductions and income for life as well. Our staff would be pleased to explain how a life income gift could fit into your own planning. We encourage you to contact us for more specific information, confidentially and with no obligation.

SMART WAYS TO GIVE

If you've been thinking about making a gift to Population Connection now or in the future, here are five of the best ways to give.

1. Appreciated stock or mutual fund shares:

You avoid capital gains tax, and itemizers may deduct the full fair market value for shares held more than one year.

2. Qualified charitable distributions:

IRA owners 70½ and older can make tax-free gifts of up to \$100,000 per year to qualified charities, such as Population Connection.

3. U.S. savings bonds:

If Population Connection receives bonds through a will or trust, income taxes are avoided, and the value also qualifies for an estate tax deduction.

4. Life insurance:

You can name us the beneficiary of an existing life insurance policy or give a policy outright. Policies no longer needed for the original purpose can be ideal gifts.

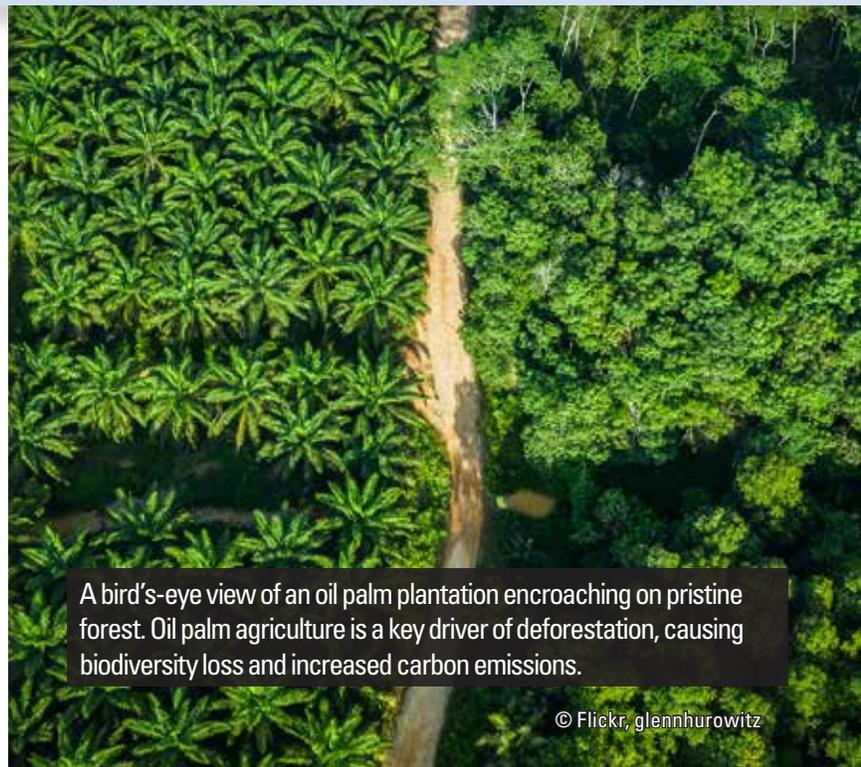
5. Retirement plans:

You can name Population Connection as a beneficiary of all or part of a retirement plan. Retirement assets are some of the most heavily taxed when left to heirs.

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*.



A bird's-eye view of an oil palm plantation encroaching on pristine forest. Oil palm agriculture is a key driver of deforestation, causing biodiversity loss and increased carbon emissions.

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HER WORK AND FAMILY REFLECT HER TIES WITH POPULATION CONNECTION

Ever since she was young, Population Connection member Marty Shannon could tell that “humans were out of balance with nature.” Growing up in the foothills of Salt Lake City, Utah, Marty remembers when at a very young age, “(she) could just be quiet, and the chipmunks and sparrows would come to me.” As she grew older and attended school, she learned about the Zero Population Growth movement and realized the human population was overwhelming Earth’s resources. This also brought her back to her connection to nature.

Another transformative moment for Marty was in high school. Always caring for and thinking of others (a trait that has stayed with her throughout her life), Marty would bring friends who sought contraception to Planned Parenthood, recognizing that “people should want children.”

As an adult, Marty chose to go into social work, so she worked with organizations that supported children who had suffered abuse and neglect, eventually becoming executive director of a nonprofit child welfare agency, Children’s Service Society (CSS). At CSS, Marty had the opportunity to provide childcare resources and education, parent support and mentorship, and adoption services. It has always been a deep part of her belief system that people should be empowered, and she would often hire parents who didn’t have a lot of work history to work at CSS.

Through her work, Marty learned about the thousands of children in foster care in need of an adoptive family. Marty adopted her daughter, Sarah, who was 15 years old and had been living in foster care. As a single mother working for a nonprofit, Marty began to work for the state’s Division of Child and Family Services as a subject matter expert in adoption work. Through community collaborations in the field of adoption, she met her late husband, Dean. With Dean, she was able to buy the house that she lives in now. Dean lovingly accepted her daughter and Marty’s brother Chuck, who lived with



Marty Shannon with her granddaughter, Addison, and her daughter, Sarah.

her because of his cognitive challenges. Marty was able to build the family she wanted without having biological children of her own.

Now, Marty is on a “new journey in life.” Dean passed away when he was 58, and Chuck passed this past January. Marty inherited their retirement plans and, retired herself, she now feels comfortable making charitable gifts. A new member of our President’s Circle, Marty also recently joined the ZPG Society, since she has included Population Connection in her will. She remembered us as “ZPG” and, after finding us as Population Connection, she loved what we do internationally for women’s empowerment. A shining example herself, Marty recognizes that “when women are empowered to plan their family, the whole community is raised.”

Still living in the foothills of Salt Lake City, Marty enjoys hiking, reading, and gardening in her yard. Though COVID has been tough, Marty’s positive outlook keeps her moving forward. She enjoys video chatting with her granddaughter, Addison, and tackling projects like cleaning her basement.

Population Connection thanks Marty for her lifelong dedication to improving people’s lives, protecting the environment, and for supporting women’s reproductive rights. By leaving a bequest in her estate plans, Marty is leading by example in prioritizing the Earth for future generations to thrive!

WONDERING WHETHER YOU NEED A WILL?

Even a simple will and estate plan can bring peace of mind and save your loved ones from problems that arise. To help you decide whether you need to make or revise a will, here are a few questions you should consider.

Q. Who needs a will?

A. In most cases, anyone who owns property and cares about its eventual distribution needs a will.

Q. What if I already have a will?

A. Your will should be reviewed periodically and updated to reflect changes in your life—marital status, births, financial changes—and your personal goals. Tax law changes may also prompt a review of your plans.

Q. How much does it cost to draft a will?

A. The fees associated with drafting or updating a will can be quite reasonable, and your attorney will be happy to discuss fees in advance.

Q. What if I would like to include gifts to charity in my will?

A. There are a number of ways to include Population Connection (or other causes) in your will:

- **All or part of the residue.** You can provide that charitable gifts be made from what is left after all other gifts to loved ones have been fulfilled.



Testing out our “Carbon Crunch” lesson plan at a Population Education teacher training (pre-COVID). This lesson elucidates how countries differ in terms of carbon emissions and climate vulnerability.

- **A specific amount.** You designate that a particular dollar amount be transferred to one or more charities.
- **A percentage.** A percentage of your estate can be designated for charitable purposes, ensuring that your gifts remain in proportion to other bequests.

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

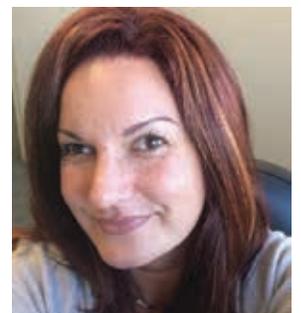


Shauna Scherer, MPA, CFRE
Vice President for Marketing & Development
(202) 974-7730



West Coast Office:

5005 Texas Street, Suite 205
San Diego, CA 92108
legacy@popconnect.org



Jennifer Lynaugh
Director of Individual Giving
(202) 974-7710

Masthead photo: fall foliage along the Farmington River in Canton, Connecticut
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