

LEGACY

of Love



For Special Friends of the American Federation of Police & Concerned Citizens

EST. 1978

ESTATE PLANNING—WITH OR WITHOUT TAXES

Estate planning is much more than just tax planning. People whose estates are below the federal estate tax threshold (\$11.7 million per person or \$23.4 million per married couple) still need wills and living trusts to address a variety of family and personal needs. For example:

- ★ A widower wants the bulk of his estate to assist his disabled son through a special needs trust.
- ★ A bride in her 60s wants her estate to be available to her husband for his lifetime and then wants the assets to pass to the children from her first marriage.
- ★ Parents with minor children want to name a guardian and establish a trust to administer their estate.
- ★ A couple with no children wants their assets divided equally between their families.
- ★ A man wishes to leave any assets remaining in his IRA to charity in memory of his parents.

All of these situations involve people whose estates will not be subject to estate tax under current law but, nevertheless, have wishes that can only be addressed through thoughtful estate planning. For some, a simple will is sufficient; others may need a living trust in addition to a will.

Act now

If you don't already have a will, make an appointment with an attorney about having one

drafted. If you have a will, review it today to ensure it reflects your wishes for the disposition of your estate.

If you are one of the very few whose estate is likely to be subject to federal estate taxes, ask your attorney to review your estate plan to take advantage of planning opportunities to reduce or eliminate those taxes.

More information

If we can provide you or your advisor with information about making AFP&CC a part of your plans, please contact Barry Shepherd at: 321-264-0911 extension #111, email: Barrys@aphf.org, return the enclosed card or visit our website at afpcc.givingplan.net.



INSIDE:

- ★ Three Ways To Give Through Your Will
- ★ Important Things To Remember About Beneficiary Designations
- ★ Is Your Will Up to Date?

THREE WAYS TO GIVE THROUGH YOUR WILL

A bequest—a gift made through a will—is an ideal way for individuals to continue their support after their lifetime of charities whose work they value. Read on to discover three ways to accomplish this.

- 1. Residuary Bequest.** If you do not wish to specify the exact size or nature of your charitable provision (often the size of a future estate is difficult to estimate), you might consider naming a charity, such as AFP&CC, as a residual beneficiary of your estate. You may provide that all, a specific amount or a percentage of the remainder of your estate shall pass to AFP&CC after other specific bequests have been fulfilled.
- 2. Specific Bequest.** Of the many ways to include AFP&CC through your will, a bequest of a fixed dollar amount or a bequest of specific property is the simplest. Securities, real estate and personal

property can all be given through a will. To be sure your charitable gifts will remain in proportion to other bequests, you can designate in your will that a specific percentage of your estate be given to AFP&CC. You may want to consider this flexible way of giving when planning your own will.

- 3. Contingent Bequest.** Under the provisions of a contingent bequest, AFP&CC would receive either a specified portion or the entire estate only if circumstances render it impossible to carry out the will's primary provisions. Such circumstances could be a change in marital status or an unanticipated life event.

Learn more

Please contact us or your advisors for details on bequests or any aspect of your charitable giving plans.



SAMPLE BEQUEST LANGUAGE

To include AFP&CC in your will or trust, the following is suggested wording to take to your attorney:

“After fulfilling other provisions, I give, devise and bequeath ____% of the rest, residue and remainder of my estate (or \$_____ if a specific amount) to the American Federation of Police & Concerned Citizens (tax ID #52-1127259), a charitable corporation presently having offices at 6350 Horizon Drive, Titusville, FL 32780.”



Please visit afpc.givingplan.net to see additional ways you can make a gift in support of the work we do for the families and survivors of fallen officers.

IMPORTANT THINGS TO REMEMBER ABOUT BENEFICIARY DESIGNATIONS

There is no doubt a will and a revocable living trust are vital tools when it comes to estate planning. What some people fail to realize, however, is that a large part of their estate will pass through beneficiary designations from life insurance policies, retirement accounts and other arrangements. Thus, it is important to carefully consider who best to receive these assets.

- ★ **Understand the basics.** You can name beneficiaries for a broad range of assets, including retirement plans, annuities and financial accounts. When you designate a beneficiary, those assets will pass directly to that individual or organization; they will not need to go through the probate process, which can be costly. Generally, if you fail to name a beneficiary, your assets will pass either according to your will or according to state law if you have no will.
- ★ **Don't forget to review.** Beneficiary designations will override bequests directed in your will, so it's

crucial to review your beneficiary designations on a regular basis (along with your will and other estate documents). For example, Jane names her sister Sue as beneficiary of her IRA but later names her brother, Harold, to receive the IRA in her will. The beneficiary designation will prevail, and Sue will receive the IRA.

- ★ **Consider the tax consequences.** It's wise to get professional advice when naming beneficiaries because some assets, especially retirement accounts, create income tax burdens for heirs. Those who own IRAs and other retirement accounts are often surprised to learn a large percentage of their accounts may be lost to estate and income taxes upon death, leaving little remaining for their heirs. Instead, you can leave all or a portion of an IRA to a charity, such as AFP&CC, and leave other assets to your loved ones. Simply contact the administrator of your IRA for a change of beneficiary form.

A HELPFUL GUIDE FOR ESTATE PLANNING

Estate planning is more than just distributing your property; it can also help ensure you have all the resources you need in the future. When working on your long-term plan, a will is often the first step, but don't forget to include other planning tools like trusts, retirement accounts, life insurance policies and investments.

Our complimentary booklet, "**Better Estate Planning**" explores the different ways you can fulfill your wishes for yourself and your loved ones and also include gifts to AFP&CC and other charities. Return the enclosed reply card to request your copy.



IS YOUR WILL UP TO DATE?

To make certain your assets are distributed in ways you see fit—and in the most tax-wise manner, you may want to update your will with the following in mind:

- ★ Name an executor of your choice. You may want to name a family member, friend, trust company or a combination of these. In your will, you can waive the bond that might otherwise be required by the probate court.
- ★ Customize your plans for a loved one with special needs. The state's will does not provide more for family members who require additional help. Update your will to direct funds to a special needs trust that preserves other sources of assistance.
- ★ Make gifts in the most tax-efficient manner. Certain assets in your estate may have different tax consequences for loved ones. For example, if you own U.S. savings bonds with untaxed

appreciation, family members will owe income tax when the bonds are redeemed. Some choose to name AFP&CC to receive the bonds instead and leave less heavily taxed assets to loved ones.

- ★ Remember friends and charities you've supported during your lifetime. The state's will only includes family members, some of whom you might not even know. Your will can remember the important people and charities in your life with a thoughtful gift through your estate.

Learn more

If you have any questions about writing or updating your will, contact your financial advisors or us for more information about the charitable aspects of your plans. We can be reached by phone: 321-264-0911, email: policeinfo@aphf.org, or by visiting our website at afpcc.givingplan.net.



Thank you for remembering our loved one year after year! Kacyn always looks forward to her gifts! Your organization is such a blessing to us!

L. McDonald



Barry Shepherd



AMERICAN FEDERATION OF POLICE & CONCERNED CITIZENS

POLICE FAMILY SURVIVORS FUND

A Nationwide Program to Help Families of Officers Killed in the Line of Duty

For more information, contact: Barry Shepherd • 6350 Horizon Drive • Titusville, FL 32780 • 321-264-0911 extension # 111 • www.afp-cc.org • Barrys@aphf.org