



CHALLENGE CONVENTION.
CHANGE OUR WORLD.

Planned Gifts You can make from your Estate

Gifts from Retirement Plans at Death

Retirement-plan benefits often make an excellent choice for funding a testamentary charitable gift to Clark. Not only will such a gift escape federal income tax, but it will also avoid any potential federal estate tax. This combination of income taxes and estate taxes could result in a tax hit of more than 63% of the retirement-plan benefits.

If, for example, you have designated your children to be the beneficiaries of \$100,000 of your retirement-plan benefits, and your estate is subject to federal estate taxes, your children could lose \$40,000 to federal estate taxes and as much as an additional \$23,760 to federal income taxes for a total reduction in benefits of \$63,760. If, however, you designate Clark as the beneficiary of that \$100,000, the full amount will pass to us with no reduction in benefits.

Gifts by Will

Through various types of bequests to Clark, you may secure a charitable estate-tax deduction for the value of the gift. Best of all, you will know that your generosity will support our mission for years to come. You may prefer to state in your will or trust a sum of money or a percentage of your estate that you wish to give to Clark.

Whatever form of bequest you choose, it is not subject to federal estate taxes and so significantly reduces the tax burden of an estate. The value of the bequest may be deducted when the taxable estate is determined, and there is no limit to the deduction.

Gifts of Life Insurance

You can designate Clark as the beneficiary of a portion or the full death benefit on any life insurance policy

Sample Bequest Language

Your bequest to Clark can take a variety of forms: new will, codicil to your existing will or trust by will.

The nature of your assets or your interests may make one type of bequest more appropriate than another. The Office of Planned Giving offers some estate planning and can review the language of your bequest to ensure that the University will be able to honor the purpose and intent of your gift. Contact your lawyer or Clark's Office of Planned Giving to include one of the bequests listed below.

General Bequest: This is one of the most popular ways to make a gift. You simply leave the University a specified dollar amount. *I give the sum of \$ _____ to the Trustees of Clark University, a charitable corporation located in Worcester, Massachusetts, for its general educational purposes.*

Specific Bequests: Here, you designate that Clark receives a specific asset from your estate. Stocks, bonds, mutual fund shares, real estate and personal property (such as works of art or antiques) can constitute a specific bequest. *I give _____ (insert description of the asset) to the Trustees of Clark University, a charitable corporation located in Worcester, Massachusetts, for its general educational purposes.*

Residuary Bequest: You can specify that the residue or a percentage of the residue of your estate be paid to the University after all debts, taxes, expenses and bequests have been paid. *I give the rest of the property I own at my death to the Trustees of Clark University, a charitable corporation located in Worcester, Massachusetts, to be used for its general educational purposes.*

Percentage Bequest: A bequest may also be expressed as a percentage of your estate or of the residuary of your estate. *I give _____% of my estate to the Trustees of Clark University, a charitable corporation located in Worcester, Massachusetts, for its general educational purposes.*

Contingent Bequest: In this case, you name Clark to receive all or some of your estate if your primary heirs predecease you. *If _____ (insert the name of your heir) predeceases me or disclaims any interest in _____ (describe the asset or portion of your estate), I give such property to the Trustees of Clark University, a charitable corporation located in Worcester, Massachusetts, for its general educational purposes.*

Restricted Bequest: You may wish to restrict your bequest to a specific purpose at Clark (for example, to memorialize a family member or a colleague, or to support a particular program). *I give \$ _____ (insert dollar amount or asset) to the Trustees of Clark University, a charitable corporation located in Worcester, Massachusetts. This gift shall be held in a permanent endowment fund to be known as the _____ (insert your desired fund name) Fund, income only from which may be used to support _____ (insert tax-exempt purpose for which the gift is made).*

Codicil to Your Will: If you already have a will and wish to change a beneficiary or add a bequest to Clark, ask your lawyer to draft a codicil for you to sign. All provisions of your existing will shall be retained except those which are modified by the codicil.

Charitable Trust by Will: If you set up a trust by will, your heirs receive income from an asset during their lifetimes, and then at their deaths, the principal goes to Clark.

For more information on how Estate Gifts might be a helpful tool in your philanthropic planning, please contact the Clark Office of Planned Giving at (508) 793-7593 or plannedgiving@clarku.edu.

Clark University does not provide legal or tax advice. We recommend that you seek your own legal and tax counsel in connection with gift and planning matters.