

## WHEN IT PAYS NOT TO WAIT

A TAX INCREASE *NEXT* YEAR GIVES YOU A GREAT OPPORTUNITY *THIS* YEAR.

Have you looked at how the new tax rates will impact you beginning in 2011?

Capital gains tax rates are expected to increase in 2011. If you sell an asset this year, the capital gains rate you pay would be less than if you wait until next year to sell the same asset. However, there are things you can do now to save on taxes and have peace of mind.

Carefully consider any stock (or other asset) you have that is worth more now than what you paid for it. No matter what the market is doing, remember your gain is not measured by what the stock was once worth, but what you paid when you purchased it.

Even if your asset has lost value in recent months or years, you may still

have significant gain depending on its current value compared to what you paid for it. Now is the time to deal with these assets. If you delay, higher taxes may result.

For even greater tax advantages, talk with your tax advisor or with us about creating a charitable remainder trust. A charitable remainder trust, or unitrust, avoids all gain at funding and provides other significant benefits for you.

IS YOUR STOCK WORTH  
MORE NOW THAN  
WHAT YOU PAID FOR IT?  
CONSIDER THE COMING  
TAX INCREASE AND WHAT  
YOU CAN DO TO AVOID IT.



## SAVVY LIVING BY JIM MILLER

*Dear Savvy Senior*

*What will happen to my property and money if I die without a will?*

*–Don't Have Much*

Dear Don't

If you die without a will, what happens to your assets will depend on the state you live in and which of your family members are living at the time of your death. Here's what you should know.

### WHO GETS WHAT

No one ever really dies without a will. That's because even if you don't get around to creating one yourself, the state you resided in will make one for you. But that means the state gets to determine who gets your property and money.

The state laws that determine how your estate will be distributed if you die without a will are called intestacy laws, and they can vary greatly from state to state. The best way to find out how your state works is to go to [MyStateWill.com](http://MyStateWill.com). This is a free, user-friendly site that has an intestacy calculator for every state so you

can get an exact breakdown of how your estate would be distributed.

Here is a general (not state specific) breakdown of what can happen to a person's assets depending on who they leave behind.

#### Married With Children:

When a married person with children dies without a will, all property, investments and financial accounts that are jointly held automatically goes to the surviving spouse without going through probate. But for all other separately owned property or individual financial accounts, the laws of most states award one-third to one-half to the surviving spouse, while the rest goes to the children.

#### Married With No Children or Grandchildren:

Some states award the entire estate to the surviving spouse or everything up to a certain amount. But many other states award only one-third to one-half of the decedent's separately owned assets to the surviving spouse, with

the remainder generally going to the deceased person's parents or siblings.

#### Single With Children:

State laws provide that the entire estate goes to the children in equal shares.

#### Single With No Children:

Most state laws favor the deceased person's parents. If both parents are deceased, many states divide the



property among the brothers and sisters or, if they are not living, their children (your nieces and nephews).

Savvy Living is written by Jim Miller, a regular contributor to the NBC Today Show and author of "The Savvy Senior." The articles are offered as a helpful and informative service to our friends and may not always reflect this organization's official position on some topics.

# Legacy

WITH THE PROPER PLANNING, THE PORTION TRANSFERRED TO THE TRUST MIGHT GENERATE MORE INCOME FOR YOU THAN THE WHOLE PROPERTY GENERATES FOR YOU NOW.

## CASH TODAY, INCOME TOMORROW

While we can't ignore the troubles of inflation, tax increases, and an uncertain economy, there are steps we can take to protect ourselves. There are many good solutions to even the greatest problems.

The **charitable remainder unitrust** is one way to create lifetime income for yourself while making a gift to your Boys & Girls Club. The unitrust becomes even more beneficial when it is carefully combined with a sale of appreciated assets.

If you have an asset that you think would be a good candidate to be placed in a unitrust, but cannot afford to trans-

fer all of it, then a sale and unitrust may be the perfect choice for you.

With a sale and unitrust, you sell part of the asset and transfer the remainder to the unitrust. You choose how much to sell and how much to place in the unitrust based upon your cash needs, tax considerations and philanthropic goals. These can be carefully balanced to optimize benefits for you.

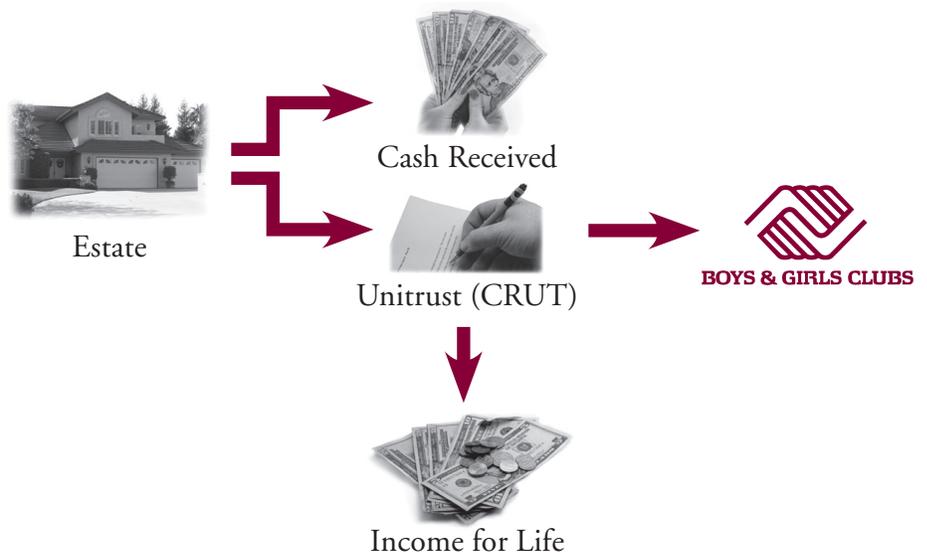
Talk with your attorney or tax planner about your appreciated assets and how a unitrust or sale and unitrust might be a tax advantage, while producing the income you need. If you can complete this trust before 2011, you'll also have the added benefit of avoiding an increase in the capital gains tax on funding.



### FOUR REASONS WHY A SALE AND UNITRUST MAKE SENSE

- Receive cash immediately
- Increase income for retirement
- Avoid the capital gains tax increase
- Fulfill a philanthropic goal

WITH A SALE AND UNITRUST, YOU SELL PART OF YOUR ASSET AND TRANSFER THE REMAINDER TO THE UNITRUST, WHICH IN TURN PAYS YOU A DIVIDEND FOR LIFE WHILE LEAVING A GIFT TO YOUR BOYS & GIRLS CLUB.



## FREE INFORMATION ON WILLS AND TRUSTS

Please send me your free information on the following topic(s):

- Guide to Wills and Trusts
- The Heritage Club
- I am pleased to say that I have already included my Boys & Girls Club in my estate plans in the following manner: \_\_\_\_\_
- Please have a Boys & Girls Club representative contact me.

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Daytime Phone \_\_\_\_\_ Birth Date \_\_\_\_\_

E-mail \_\_\_\_\_

## HELP YOUR CLUB WHILE HELPING YOURSELF JOIN THE HERITAGE CLUB!

Supporters who designate any of the gifts described in this newsletter can become members of The Heritage Club simply by contacting our office. What is The Heritage Club? It is an association of friends from all across the country who have made the ultimate gift of including Boys & Girls Clubs in their will or estate plan. Heritage Club members are committed to ensuring that the future needs of our nation's youth are met. This planning might include a will, a charitable gift annuity, a trust arrangement, a real estate gift or a life insurance policy.

When you join The Heritage Club, your Boys & Girls Club will thank you by providing you with a lapel pin that indicates your leadership in the mission to guarantee a strong and stable future for our nation's youth.