



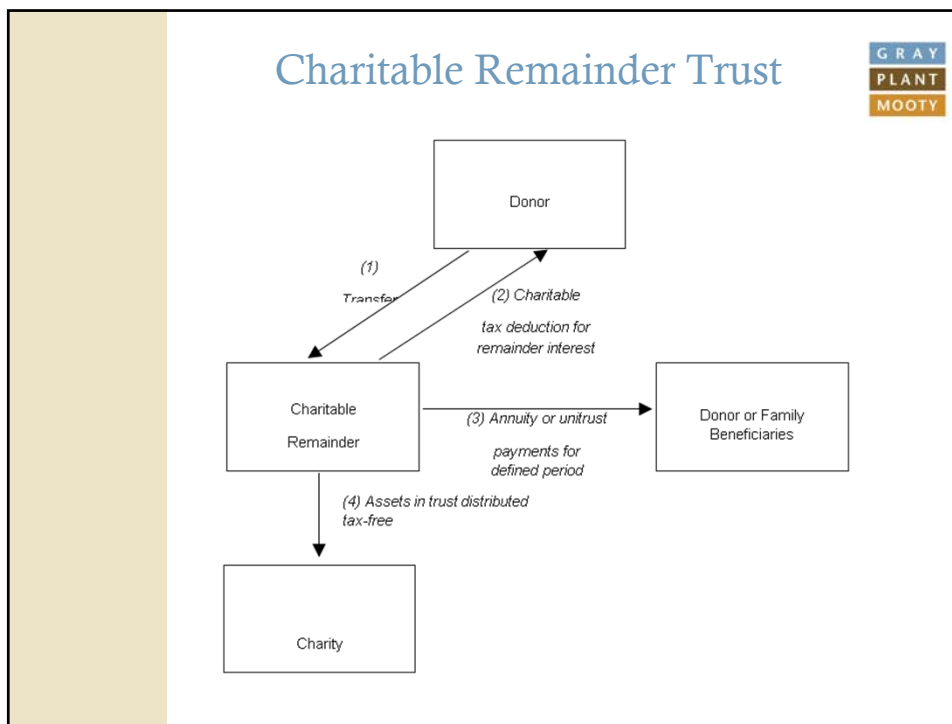
Gifts of Retirement Assets: Strategies Beyond the Beneficiary Designation

MPGC Breakfast Meeting
September 22, 2015



Strategies for Retirement Accounts

- Introduction: Tax-Deferred Account Beneficiary Rules through Estate Planner's Lens
- Options:
 - Outright rollover to surviving spouse, then spouse designates charity
 - Split account into two IRAs
 - "QTIP" Marital Trust with charity as remainder beneficiary
 - Charitable remainder trust as beneficiary
 - Coordinated language



Coordinated Language in Will or Trust

Two methods:

- “Make-up” language
 - Assuming IRA will pass by beneficiary designation directly to charity
 - Purpose is to ensure charitable gift is made despite possible changes to beneficiary designation
- Naming will (estate) or revocable trust directly as beneficiary
 - Note income tax deduction issues

Comparison of Methods



	Testamentary CRT	QTIP	Spouse/ Rollover IRA	Split Account Into 2 IRAs	Coordinated Language
Donor controls charitable gift	Yes	Yes	No	Yes	Yes
Control over amount of annual payment to spouse	Donor	Trustee/ IRS	Spouse/ IRS	Spouse/ IRS	Spouse/ IRS
Principal available for distribution to spouse in financial emergency	No	Yes	Yes	Yes only as to IRA for Spouse	Yes
Entire account provides benefit to spouse	Yes	Yes	Yes	No	Yes
Time of gift to charity	Spouse's death	Spouse's death	Spouse's death	Donor's death	Donor's death or Spouse's death



- Family letter
 - Non-binding statement of intent in client's own words
 - May express reasons for charitable intent, preferred charities, or direction regarding intended beneficiary designations
- How to discuss with donors
 - Timing
 - Legacy discussion
 - Tax planning



Questions?

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