



# The PHYSICIAN

Fall 2017

## LEGACY

News and Gift Planning Ideas for Friends of The Foundation of the Pennsylvania Medical Society

## NEW EDUCATION SCHOLARSHIP AWARD MADE POSSIBLE BY BEQUEST GIFT

The Foundation of the Pennsylvania Medical Society owes a debt of gratitude to Jeanne A. Cooper, MD, who remembered The Foundation in her will. Her generosity will make a new educational scholarship award possible.

Dr. Cooper created an endowment fund within The Pittsburgh Foundation and named The Foundation of the Pennsylvania Medical Society as a beneficiary. Upon her passing, the Foundation will receive a percentage of the fund annually to go toward medical student scholarships.

For the last few years, Margie Lamberson, Director of Philanthropy, would call on Dr. Cooper, a faithful supporter of The Foundation since 1993. Lamberson said, "Dr. Cooper would tell me not to worry, she had made plans to support medical education through designation of her IRA to her community foundation. She was always very pleasant and I could tell she really cared about our mission of serving medical students."

"I think all in medicine should do what they can to help the upcoming generation to achieve their goal. The cost is getting prohibitive and may prevent talented young folks from going into medicine."

—Jeanne A. Cooper, MD

The Pittsburgh Foundation manages the fund and is charged with distribution on a yearly basis. Dr. Cooper's generosity means this gift will perpetually fund our new Foundation Education Scholarship Award. Dr. Cooper died November 15, 2015. The first gift from this fund was received this past March in the amount of \$2,577.

Over the last five years, The Foundation has made a goal of establishing its own scholarship fund, and the Dr. Cooper gift provides the seed money to achieve this goal. In addition to the annual gift from Dr. Cooper, the Foundation's Education Scholarship Award can also accept other philanthropic gifts from individuals who would like to support a scholarship fund. The hope is that those interested in making

their charitable gifts to support scholarships for medical students will consider donating to this fund so that we can reach or exceed the minimum \$50,000 fund balance and become permanently endowed.

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### Inside:

- Q&A About Giving from Retirement Plans
- Three Reasons to Make Your Gift With Appreciated Securities

# Q&A ABOUT GIVING FROM RETIREMENT PLANS

## **Q. What are the benefits of giving retirement plan assets to The Foundation?**

**A.** If the funds in your tax-favored retirement plan exceed your needs, or you are required to take mandatory withdrawals from such plans, giving from this source may be a good option.

Giving these assets to The Foundation as part of your retirement planning can be a wonderful way to support us while minimizing taxes that may otherwise be due.

## **Q. How can I make a charitable gift from my retirement plan?**

**A.** If you are aged 59½ or older, retirement plan assets can be a convenient source for charitable giving. Making immediate gifts using funds from your IRA or similar retirement plan may result in little or no tax on the amounts donated. Those who itemize deductions report the amount withdrawn and take an offsetting charitable deduction.

And, if you are age 70½ or older, you may want to consider the possibility of making tax-free charitable gifts directly from a qualifying IRA. Charitable distributions totaling up to \$100,000 per person per year (\$200,000 per couple) are allowed.

## **Q. What if I am required to take withdrawals I do not need?**

**A.** Consider using all or a portion of a required withdrawal to make gifts to The Foundation. You may reduce or eliminate taxes that would otherwise be due on the amount withdrawn if you itemize your charitable gifts and other deductions.

## **Q. Can I save taxes by leaving part of my retirement assets to The Foundation?**

**A.** Yes. Funds remaining in retirement accounts after your lifetime are considered part of your estate and could possibly be subject to state and/or federal taxes. More importantly for most people, any remaining retirement funds will be subject to income tax when left to loved ones. You can designate a gift to The Foundation from remaining retirement funds and leave other assets to loved ones. This will ensure no federal estate or income tax will ever be due on those funds.

## **Q. Is it possible to make a gift to The Foundation of remaining retirement funds while first providing an income for loved ones?**

**A.** Yes. You may arrange for one or more persons to receive an income for life or another period. At the end of the term you choose, the funds remaining will become a gift to The Foundation. This option can result in significant tax savings while helping to ensure future financial security for loved ones.



When you begin a retirement savings plan, you are asked to name a beneficiary to receive any amounts payable at the end of your lifetime. This can be a convenient way to make a significant future gift. To make a gift to The Foundation through your retirement plans today or in the future, consult with the administrator of your plan. This may be a financial institution or the coordinator of your employer's retirement plan. Designating The Foundation as a beneficiary of your retirement plan can be as easy as completing a simple Change of Beneficiary form.

# THREE REASONS TO MAKE YOUR GIFT WITH APPRECIATED SECURITIES

When you give appreciated securities, you can often make your gift at a much lower cost than an equivalent gift of cash. Giving securities may be a good way for you to make a gift while you also:

- 1. Bypass capital gains tax.** For example, Dr. Stephens originally purchased stock for \$20,000 and it is now worth \$100,000. Should he decide to sell the stock, he will owe capital gains tax on the \$80,000 increase in the stock's value. However, by using the securities to make a charitable gift to The Foundation, he will pay no capital gains tax.
- 2. Reduce future taxes.** For example, Dr. Whittman is planning to make a cash gift of \$5,000 to

The Foundation. Instead, she should consider making her gift with appreciated securities and use the cash to repurchase the same securities. She will receive greater tax benefits than if she gave the cash outright and she will have effectively replaced her stock—but with a higher cost basis. This can be very beneficial if she decides to sell the stock in the future because she will owe less capital gains tax than if she were selling the original stock she purchased at a lower cost basis.

- 3. Conserve cash.** Giving securities doesn't require you to withdraw a penny from your bank account. Please call Marjorie Lamberson, CFRE, to find out the best way to make a gift of securities to The Foundation.

## AWARD MADE POSSIBLE

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Foundation Board of Trustees Chair Virginia Hall, MD, FACOG, FACP, recommends that contributions to The Foundation Education Award Fund reach a \$50,000 principal balance before a scholarship committee is formed for The Foundation Education Award. The Foundation respects the work of the existing scholarship committees and has confidence that their award recipients reflect the academic excellence and personal integrity that is required of this educational scholarship award. An award winner will be chosen from our current scholarship recipients until the time comes that the fund can stand on its own.

The first-ever medical student named to The Foundation Board of Trustees, Nathan Hoff, says, "It is my vision that this new award grows to provide



*Nathan Hoff*

significant financial help with broad parameters to help as many students as possible. Currently all of the scholarships are restricted to students who are Pennsylvania residents.

"It is vital that the physician pipeline in Pennsylvania remains strong and vibrant to meet the needs of the citizens of the Commonwealth. As additional philanthropic support grows The Foundation Education Scholarship Award, it is my goal to not only assist students who are Pennsylvania residents, but also students who commit to practicing in Pennsylvania."

Want to learn more about a bequest gift or how to contribute to this educational scholarship fund? Contact Director of Philanthropy Marjorie Lamberson, CFRE, at [mlamberson@pamedsoc.org](mailto:mlamberson@pamedsoc.org) or call (717) 558-7847.

# IS IT TIME FOR A WILL CHECK-UP?

These questions may be helpful as you review your will and other long-range plans:

- Yes**  **No** Have you moved to another state since you created your will?
- Yes**  **No** Has your marital status changed since you last reviewed your plans?
- Yes**  **No** Have you recently retired from full-time employment?
- Yes**  **No** Is the person you named to settle your affairs now unable to serve?
- Yes**  **No** Do you need to recommend someone as a guardian for children or other dependents?
- Yes**  **No** Do you want to continue your support of The Foundation into the future?

If you answered “yes” to any question, a review of your plans might be necessary to bring them up-to-date. We will be happy to provide more information about including a charitable gift to The Foundation as part of your overall plans. Please contact Marjorie Lamberson, CFRE, or return the enclosed card.



## Bequest Language

*“I give, devise and bequeath to The Foundation of the Pennsylvania Medical Society, located at 777 East Park Drive, P.O. Box 8820, Harrisburg, PA 17105-8820, the sum of \$\_\_\_\_\_ or \_\_\_\_ % of the residue of my estate (or otherwise describe the specific property or percentage of the estate) to benefit the Foundation’s charitable work.”*

## FOR MORE INFORMATION



### **Marjorie Lamberson, CFRE**

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### **The Foundation of the Pennsylvania Medical Society**

777 East Park Drive  
P.O. Box 8820  
Harrisburg, PA 17105-8820



**The Foundation**  
of the Pennsylvania Medical Society

Education. Wellness. Excellence. *Always.*

## Mission

The Foundation of the Pennsylvania Medical Society provides programs and services for individual physicians and others that improve the well-being of Pennsylvanians and sustain the future of medicine.