When A Little Goes A Long Way

We all wish we could do more. No matter how young or how old we are, there is simply not enough time to do all we want to do. Surprisingly, one of the most common sayings from retirees is, “I am busier than ever… I don’t know how I had time to do everything while I was working.” With so many competing demands, how do we prioritize?

One thing we all should have time for is to talk with our attorney about a will. The cost of not having a will is simply too high. Without one, our loved ones, friends and cherished causes are left to try to figure out our intentions. When we die without a will, the state will determine what was important to us, and do the best it can to divide our possessions. The results are not always what we intended. The cost, both in money and heartache, is often high.

When we take a moment to draft a will with an attorney, our loved ones, friends, and charitable organizations have a clear picture of our legacy. The difference we made in our lives can continue long after we are here.

While the cost of an attorney drafting your will is surprisingly low, the emotional satisfaction that comes with it is reassuringly high. For an even greater feeling of accomplishment, include an organization like ours in your plans. You can include a gift of a specific asset, a specific dollar amount, or a percentage of your estate. To learn more check and return the enclosed response card. It’s a great thing you’ll appreciate today, and many more will be grateful to you tomorrow.
The charitable gift annuity could be one of the best kept secrets of the twenty-first century.

The economy is in the news like never before. Following the ups, downs, twists and turns can make one dizzy. As gas prices rise and CD rates hover near record lows, talk at the local coffee shop and grocery store doesn’t paint an optimistic picture. However, if those are the only places we look and the only places we listen, then we have missed opportunities. Even when the news gives us its worst we can respond with our best.

One thing you will never hear about in the news, or probably won’t be discussed at the local beauty salon, is a charitable gift annuity. However, it should be. For those who have one, they cannot wait to tell you about them. People who have gift annuities love them and often have more than one.

A charitable gift annuity is a contract between a charitable organization like ours and a donor like you. With a gift annuity you give a sum of money to the UA Foundation and in return you receive fixed payments each year for life. The rates never change after funding.

Gift annuities can be arranged to suit your particular needs. You can fund them for one or two people, such as you and your spouse. You can also delay the first payment to receive an even higher payment rate. No matter what variety of gift annuity is best for you, you will receive income tax savings and payments for life. There are even capital gains benefits if you fund it by transferring stock to us. Check and return the enclosed response card, or call us and learn how you can be one of those who have stability and predictability in a world that doesn’t always know what those terms mean.

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<th>Age</th>
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Contact us for information on making a charitable gift that creates income for you now or for your future.

Visit Our Web Site! www.alaska.edu/foundation/

Discover helpful estate planning information to assist you in creating a plan that is right for you. Access our up-to-date gift planning information. Visit our Planned Giving page and sign-up for our eNewsletter. While there, find valuable information including:

Gift Planning Stories - Actual stories of donors who received tax benefits by making charitable gifts.
Personal Web Presentations - Web presentation that shows the income and tax benefits of setting up a gift plan personalized using your assets and property values.
Don’t Let These Great Benefits Roll Away

There’s an important tax change you need to know about that can help you manage your IRA, and at the same time, make a gift to charity this year. The IRA Charitable Rollover provides you with a unique window of opportunity to make a gift from your IRA before December 31, 2011, while avoiding federal income taxes.

How does it work? The IRA Charitable Rollover permits a taxpayer age 70½ years or older to donate up to $100,000 directly from an IRA to a public charity without paying any federal income tax on the transfer. Prior to the enactment of this law, a gift to charity from your IRA was considered a taxable distribution.

The benefit of the new law is that your IRA gift counts towards your required minimum distribution. So if you want to reduce your income and taxes this year, you can achieve these goals by transferring some or all of your required distribution to charity. Because the funds you give away are never taxed as income, your gift does not qualify as a charitable income tax deduction. However, you are able to make a gift to us from funds you may not otherwise use. As a result, our charity benefits from your generosity by allowing us to continue our good work.

At the end of the year, the IRA Rollover provision is set to expire. Check and return the enclosed response card, email or call us to learn more about taking advantage of this special opportunity. You can make a gift while helping us continue our work for this year and into the future.

An IRA gift can minimize the taxes your heirs will pay, and maximize gifts to your family.
Dear Savvy Living,

I’m looking at retiring sometime this year and starting my Social Security benefits, but would also like to work part time. Will this affect my benefits, and if so, how much?

Barbara

Working Rules

Social Security says that if you’re under your full retirement age (which is 66 if you were born between 1943 and 1954) and are collecting benefits, then you can earn up to $14,160 in 2011 without jeopardizing any of your Social Security if you don’t reach your full retirement age this year. But if you earn more than the $14,160 limit, you’ll lose $1 in benefits for every $2 over that amount.

In the year you reach your full retirement age, a less stringent rule applies. If that happens in 2011, you can earn up to $37,680 from January to the month of your birthday with no penalty. But if you earn more than $37,680 during that time, you’ll lose $1 in benefits for every $3 over that limit. And once your birthday passes, you can earn any amount by working without your benefits being reduced at all.

Wages, bonuses, commissions, and vacation pay all count toward the income limits, but pensions, annuities, investment income, interest, and government or military retirement benefits do not. To figure out how much your specific earnings will affect your benefits, see the Social Security Retirement Earnings Test Calculator at ssa.gov/OACT/COLA/RTeffect.html.

Temporary Loss

If you do lose some or all of your Social Security benefits because of the earning limits, they aren’t lost forever. When you reach full retirement age, your benefits will be recalculated to a higher amount to make up for what was withheld.

Dear Barbara,

You can collect Social Security retirement benefits and work at the same time, but depending on how old you are and how much you earn, it can cost you temporarily. Here’s what you should know.

Tax Factor

You also need to factor in Uncle Sam. Because working increases your income, it might make your Social Security benefits taxable. Here’s what the IRS says. If the sum of your adjusted gross income, nontaxable interest, and half of your Social Security benefits is between $25,000 and $34,000 for individuals ($32,000 and $44,000 for couples), you have to pay tax on up to 50 percent of your benefits. Above $34,000 ($44,000 for couples), you could pay on up to 85 percent, which is the highest portion of Social Security that is taxable. About a third of all people who get Social Security have to pay income taxes on their benefits.