

# Be a Part of Hadley's Continuing Legacy: The Clarence Boyd Jones Society

Donors who have made a provision for Hadley in their estate plan are eligible to join the Clarence Boyd Jones Society. This may be done by:

## 1. Including Hadley in your will or trust

- Suggested wording to share with your attorney:  
I give \_\_\_\_% or \$\_\_\_\_\_ to Hadley Institute for the Blind and Visually Impaired, an Illinois non-profit corporation located at 700 Elm Street, Winnetka, IL 60093, EIN #36-2183809.

## 2. Designating Hadley as a beneficiary

- You can use an IRA, life insurance policy, annuity or any other instrument that allows you to designate a beneficiary.
- Simply request and fill out a "change of beneficiary" form from the appropriate provider.
- You could name Hadley a full, partial or contingent beneficiary with the designated amount being tax-free.

Or, you may choose to discuss additional options with your financial advisor or attorney.

Please let us know if you plan to leave a legacy gift at Hadley so we can thank you and welcome you to the Clarence Boyd Jones Society.

For more information on making a gift to Hadley, please contact **Brooke Voss, Chief Development Officer**, at **847.784.2774** or send an email to **brooke@hadley.edu**.

**Have you visited Hadley's reimagined learning platform?** Launched July 1, it is allowing Hadley to help many more people adjust to and live with vision loss. **This was built by you, our donors.** Thank you for your gifts and bequests that have made this possible. **Visit now at hadley.edu.**



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Promoting the growth and strength of Hadley's planned philanthropy program, these financial and legal professionals lend their time and expertise working with staff and donors through their advisors.

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# foresight

ACHIEVE YOUR GOALS THROUGH PHILANTHROPIC PLANNING

HADLEY INSTITUTE  
FOR THE BLIND AND  
VISUALLY IMPAIRED  
FALL 2020

## Learning New Ways to Adjust to Vision Loss

Listening to Judith Pothier speak, you would think the new Hadley website was designed specifically for her. The 73-year-old Sacramento woman was made a believer simply by viewing the introductory welcome pages. It was here where she was able to control the background and find a font color that enabled her to see the screen much better.

"With my type of vision loss, it was hard to use my iPad with the conventional background and text settings," Judith explained. "I liked being able to create my very own personal settings."

Since then, Judith has been using the new website multiple times a day to learn new ways to adjust with her particular disability.

Although she has lived much of her life with vision loss, Judith says she is lucky to even be alive. A car crash shortly before her 16th birthday left her with severe head trauma which included the loss of much of her vision.



Judith Pothier

**“As I learn on the new website, I am gaining the knowledge and ability to change my life from a ‘seeing world’ to a ‘blind way’ of seeing and adapting.”**

She notes that while her current residence is far from user-friendly for someone with her degree of vision loss, she's set a goal for herself, with Hadley's help, to create a living environment that is fully accessible.

"It may sound silly, but I really was overwhelmed with joy by experiencing just how user friendly the new Hadley website is."

# Stretching IRAs and Retirement Plan Beyond the New 10 Year Max

Several of the most recent changes to the tax code have set shocking and draconian limits to the longevity of Individual Retirement Accounts and other retirement plans.

The SECURE ACT, which became law on January 1, 2020, eliminated the ability of beneficiaries to stretch out an individual retirement account (IRA). Prior law permitted a designated beneficiary to stretch out inherited IRA distributions over his or her life expectancy upon the death of the account holder. Under the SECURE ACT, beneficiaries other than “eligible designated beneficiaries” such as a spouse, minor child or beneficiary with a disability, are limited to a 10-year payout.

However, when certain trusts that benefit both your individual beneficiaries and charities are named as the beneficiary at the IRA owner's death, the 10-year rule does not apply. This is because (in addition to your spouse) charities and charitable trusts are exempt from the 10-year tax acceleration rule.

One way to utilize this exemption could be to establish a Charitable Remainder Trust, such as a Charitable Remainder Unitrust

(CRUT) or Charitable Remainder Annuity Trust (CRAT), and name that trust as the beneficiary of your IRA (or as the contingent beneficiary, after your spouse, if you are married).

This is not overly complex to do but does require some strategic planning. A Charitable Remainder Trust is a testamentary trust meaning that it is customarily funded at both spouses' deaths. In other words, during your lifetime, this trust is revocable, there is no tax return to file, and no money goes into it. After both spouses' deaths, what remains (or whichever portion of the IRA or retirement account you have designated), is transferred to the trust so that the IRA can be liquidated without paying taxes. This can be very advantageous for two distinct reasons: one, a tax reason; and second, preserving the stretch feature that was eliminated by the changes to the tax law made by the SECURE ACT.

Under the SECURE ACT, if the IRA were left to children or

grandchildren, all of it would be taxed in 10 years (or earlier than 10 years if it is liquidated). Without intervening estate planning that would offer annual payments as a financial supplement to beneficiaries, it would just be a lump sum in the pockets of those beneficiaries. The non-tax benefit of budgeting for children and grandchildren can be just as important as the tax benefit of stretching out an IRA.

Rather, with a Charitable Remainder Trust (CRUT or CRAT), children or grandchildren would receive an annual income stream from the trust, providing them with a stable and extended financial supplement. The payments can be designated to continue for the duration of the child's lifetime. This strategy mimics the benefits of the stretch IRA, otherwise no longer available under the tax law (spouses and certain charitable vehicles being an exemption).

Round numbers are often useful in explaining the mechanics and clear benefits of a Charitable Remainder Trust. If we compare leaving a \$1,000,000 IRA to a Charitable Remainder Trust, rather than to a child or grandchild, here are the distinctions:

- If a child is the designated beneficiary, the child will pay income taxes on the entire \$1,000,000 at the death of the IRA owner or on the \$1,000,000 and growth within 10 years of

the death. The after-tax proceeds, assuming a 40% income tax rate, would only be \$600,000.

- The Charitable Remainder Trust is exempt from paying income taxes at the IRA owner's death. So, the distributions the child will receive are based on the full \$1,000,000 vs. \$600,000. Therefore, the child may receive more money over his or her lifetime than if they received it from the IRA outright.
- The annual amount paid by the Charitable Remainder Trust to the beneficiary is calculated annually pursuant to an IRS formula, which is designed to assure a minimum amount eventually will remain for the charitable beneficiary.

This strategy enables people to continue to benefit and prioritize family, create financial stability, and capture the stretch-out benefits that they had grown accustomed to under Stretch IRAs. For further guidance on whether this strategy is suitable for you, please consult with an estate planning attorney or if you prefer, with Brooke Voss, Hadley's Chief Development Officer, for references.

**To learn more about giving a gift from your IRA to Hadley, please contact Brooke Voss, Chief Development Officer, at 847.784.2774 or email [brooke@hadley.edu](mailto:brooke@hadley.edu).**

# The Right Light: Low Vision Tips

This time of year, the days are growing shorter in the Northern Hemisphere, and we are switching on the lights earlier and more often. With less natural light, we are reminded about the importance of the right lighting—and this is especially true for individuals with a visual impairment.

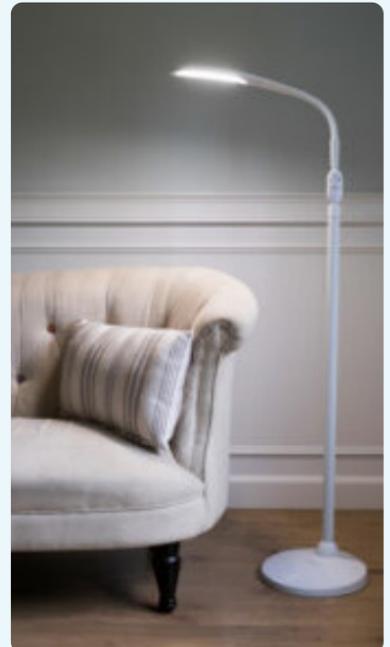
**When lighting your home for low vision, here are some things to consider:**

- Well placed area lights—like ceiling, table and floor lamps—are a great way to brighten up any area and make it easier to distinguish furniture and objects in the room from the walls and the doorways.
- Continuous lighting throughout the home eases eye strain and prevents the eyes from having to readjust when moving from a dimly lit area to a bright one.
- Tricky shadows can be eliminated by keeping the room brighter and more evenly lit. Consider placing lights in hallways, entry ways, corners, tops and bottoms of stairways.
- Know which light bulbs work best for specific uses. For example:
  - Full or total spectrum bulbs are the closest to natural sunlight and provide the most contrast and the least glare;
  - Incandescent light bulbs provide a more concentrated light, which make them well suited for desk and table lamps being used for activities such as reading or knitting;
  - LED lighting is energy efficient and especially good for closeup things like reading.

**Here are some additional strategies for safely and comfortably accomplishing specific tasks**—such as reading, sewing or cooking:

- Use adjustable arms on desk or floor lamps to allow the light to shine directly;
- Top lamps with white or light-colored shades, which will brighten the area better than dark-colored ones;
- Position the light below eye level to direct excess light away from the eyes;
- Keep working flashlights handy or use the flashlight on your smartphone to spotlight tasks such as checking settings on appliances.

**Visit the new [hadley.edu](http://hadley.edu) website to learn about the low vision workshop, "Let's Talk Lighting," and find more helpful topics.**



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