

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 for 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**.

“Thank you so much for donating to Hadley so that people like me can gain independence and confidence, get their life back and find joy again.”

—Amanda Juetten, TN



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ACHIEVE YOUR GOALS THROUGH PHILANTHROPIC PLANNING

HADLEY INSTITUTE
FOR THE BLIND AND
VISUALLY IMPAIRED

FALL 2021

Continuously Learning and Sharing Hadley Resources



Linda Sue Wilder

When Linda Sue Wilder was 28, she fell ill. Suddenly, she became paralyzed from the neck down and lost her senses of sight, hearing, taste, and smell. Doctors diagnosed her with a rare autoimmune disease and did not expect a positive outcome. Linda defied the odds.

That was 46 years ago. "I was motivated to get better to care for my three boys, who were then one, four and seven years old. I am very fortunate to have regained everything, except my vision."

“I have gained so much and want to give back so Hadley can help another person.”

Linda, who was not married at the time, was determined to build a stable life for her family. She enrolled in college to become a vision rehabilitation counselor, and then she earned her master's degree in this field. "I tried to be a good example to people losing vision, to show them what can be done without sight," she reflects. In addition to helping them find employment, she encouraged them to reach their goals by "celebrating their successes every little step of the way."

Now retired, Linda lives in Washington state and enjoys spending time with her husband and 11 grandchildren, serving on several boards, reading, and traveling. She is also continually learning. "I believe that is what keeps us all vibrant and alive. It is wonderful to have new things to absorb and practice."

Hadley is an important part of this. "I really enjoy all the things that it has to offer," declares Linda. Recognizing that "everyone can learn something through Hadley," she also promotes Hadley's resources to others.

continued: see *Sharing Hadley Resources*, inside...

Doing Well by Doing Good: Some Planned Giving Strategies

Increase your tax savings and create a lasting legacy through a tax advantaged gift.

As another year end approaches, many people look for ways of combining their desire to help others with their desire to save on taxes. For the charitably inclined, there are strategic ways of giving that can accomplish both goals. Generally, if you itemize your deductions, you can decrease your tax bill by making charitable contributions. While the most common gift is the direct cash contribution, here are some strategic alternatives that will help you make the most of your giving.

First, the simplest and most often overlooked strategy is the **charitable bequest**. By naming Hadley in your will or trust, you can save on inheritance tax and provide a lasting legacy. While the threshold for paying federal estate tax is \$11,700,000 in 2021, the state threshold is usually lower. For example, in Illinois it is \$4,000,000. If your estate exceeds either the federal or your state thresholds, there are tax savings to be had. Moreover, it is likely that federal and/or state thresholds will be reduced in years to come creating tax advantages for smaller estates.

Next, consider making a direct gift to Hadley with **appreciated securities such as stocks, bonds or mutual funds**. Using appreciated securities has two advantages. One, you avoid paying capital gains on the appreciation, and two, you get

a charitable deduction for the full fair market value of the securities donated. Consider the following example: Bill and Mary purchased publicly-traded stock 10 years ago for \$20,000. The stock is now valued at \$50,000. Bill and Mary pay tax on capital gains at 20%. If they sell the stock, they will pay a capital gains tax of \$6,000 on the \$30,000 of gain realized. This leaves \$44,000 for the charity, and Bill and Mary get a \$44,000 tax deduction. If, however, they donate the stock to Hadley or another public charity, they avoid the tax, the charity gets \$6,000 more and Bill and Mary enjoy a tax deduction of \$50,000.

Do you own a business? Are you considering selling? Then the third strategy, **donating your closely held shares to charity**, may be something to consider. The process of donating such illiquid assets is somewhat more complicated than donating cash or publicly-traded securities but it has the potential for significant tax savings. Such shares generally have a very low or even zero cost basis, so the potential for saving capital gains taxes is great. The charity can then sell the asset and the donor gets to deduct the full fair market value based on a qualified appraisal. This strategy works well with all kinds of illiquid assets such as restricted stock, real estate, alternative investments, or other long-term appreciated assets. Because these assets present certain complexities,

you should talk to your lawyer, tax advisor or financial professional before making a contribution.

There are a couple of **strategies involving IRAs**. First, if you are considering converting your standard IRA to a Roth IRA, you might want to use a charitable deduction to **offset the tax cost of the conversion**. A conversion is a good strategy if you believe that your tax bracket will be higher in retirement than it is now. With a standard IRA you deduct contributions when made but pay tax at ordinary income rates when you withdraw. A Roth contribution is not tax deductible but you pay no tax on withdrawal. When you convert, you pay the tax on the full value of the IRA converted. If you make a significant gift to charity, you may be able to offset the conversion tax. If you make that gift with appreciated securities, you will be able to offset even more.

Secondly, if you are 70½, consider making a **qualified charitable distribution (QCD) from your IRA**. Such a contribution fulfills charitable goals and allows you to withdraw funds from your IRA tax free. You do not get a charitable deduction for such contributions but the QCD can be used to satisfy your required minimum distribution (RMD). The QCD must be made directly to a public charity. It cannot be used to contribute to a Donor Advised Fund and QCD withdrawals are limited to \$100,000.

A more complicated strategy involves the **establishment of a charitable trust**. There are many

forms of charitable trusts but the prototypical formats are the Charitable Remainder Trust (CRT) and the Charitable Lead Trust (CLT). The CRT is a form in which you as grantor establish a trust, which pays you a defined amount annually. At your death or at the end of a stated term of years, the remainder goes to Hadley. You not only get a current income stream, but you also get a charitable deduction equal to the actuarial value of the remainder. The CLT reverses this structure. This form of trust pays an income stream to Hadley for a term of years. At the end of the term, the remainder goes to non-charitable beneficiaries. This is a way to make a charitable contribution and benefit your heirs. It is particularly advantageous in a low interest rate environment since the rate used to calculate the remainder is the 7520 Federal rate, currently at 1%, while the return on investment over the term of years is likely to considerably exceed that rate. This creates a larger current income tax deduction for the income going to charity and a lower valuation of the remainder, which must be included in the donor's taxable estate.

Please, consult your tax advisor before considering any of these strategies. They are some of the ways that you can structure your gifts to Hadley to both increase your tax savings and create a lasting legacy through a tax advantaged gift.

To learn more about planned giving strategies, please contact **Brooke Voss, Chief Development Officer, at 847.784.2774 or email brooke@hadley.edu**.

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Sharing Hadley Resources... continued from cover

When Hadley began working on the new website, Linda was asked to be an advisor. "I am the perfect person to do this because I get in more technology tangles than anyone," she remarks. She is very happy with the result. "I really like the new website. I truly enjoy how concise the programming is. There is nothing complicated about it. If I do hit a glitch, help is just a phone call away and someone from Hadley responds soon."

Hadley learning experts have been another important part of her experience. "I like how articulate and personable Hadley experts are. I feel like I'm right in the room with them. I often make presentations to blindness organizations. I get all kinds of ideas from Hadley and hearing Hadley's experts inspires me."

As soon as she receives a notice about a new Hadley Presents podcast episode, Linda tunes in to listen because the topics and people interviewed are relevant and interesting. For example, she and her husband, who is sighted, listened together to the episode about the impact of vision loss on a marriage and picked up useful information.

Linda's belief in Hadley has translated into financial support. "I have gained so much and want to give back so Hadley can help another person. It brings me happiness to know that others can go to Hadley to learn. It is the very best organization that is available to everyone, and it is free. Hadley has so much to offer. Hadley can lead you on an incredible journey, and it is there for all of us, all over the world."

Low Vision: About Contrasting Colors

Because contrasting colors make things easier to see, they can be a tremendous help to people with low vision.

There are many ways to make everyday living easier and safer by using contrasting colors throughout the home.

This might include identifying the top and bottom of the staircase by painting them a different color, placing dark furniture against a light-colored wall or using light-colored placemats or dishes on a dark table. Then, make sure the space is well lit; the brighter the light, the clearer the contrasting colors will look.



Did you know?

Wearing yellow or amber sunglasses can increase color contrast and help reduce eye strain and fatigue.