



"Giving" Advice



TOLEDO COMMUNITY FOUNDATION
300 MADISON AVENUE
SUITE 1300
TOLEDO, OHIO 43604

419-241-5049
[TCF "GIVING" ADVICE NEWSLETTER](#)
[Visit Our Website](#)

ABOUT YOUR FOUNDATION

Since 1973, the **Toledo Community Foundation** has provided individuals, families and businesses interested in the well-being of our community with an *efficient, effective, low-cost, professionally managed* mechanism to achieve their charitable goals.

For philanthropists wishing to maximize the impact and life of their charitable gifts, the Foundation provides *resources for thoughtful giving*. Using its expertise and personalized services, **Toledo Community Foundation** helps donors transform their philanthropic impulse to measurable

[<Back to Front Page](#)

[Forward this Article>](#)

[Print This Article](#)



More Wealthy Americans Donating Through Foundations

(c) Copyright 2009, The Bradenton Herald. All Rights Reserved.

BRADENTON HERALD

Found on [Bradenton.com](#)

June 8 2009

BRADENTON — The charitable giving of wealthy Americans like Warren Buffett and Bill Gates has called attention to philanthropy as a way to give back to the community while you are still living.

Instead of leaving behind large estates that are taxed heavily before distributed, the wealthy can give through charitable organizations and protect their portfolios from government taxes.

The current estate tax, often known as the death tax, charges all estates worth \$3.5 million or more at a 45 percent rate.

A tax-cut package enacted in 2001 called for the estate tax to be phased out over 10 years. The tax cut expires next year if Congress doesn't act. However, an estate tax repeal is expected to go before Congress soon. It would reduce the amount of the exception from \$3.5 million for individuals to \$600,000 with a top tax rate of 55 percent after 2009. Estates valued at more than \$1.2 million would be subject to estate taxes.

The benefit to charitable giving is tax write-offs that range between 30 percent and 50 percent of the actual amount donated depending upon a person's adjusted gross income and the charity receiving the donation, financial advisers say. While donors are giving away a portion of their wealth, tax benefits and giving back to their community can make it worthwhile.

community impact. Beyond the gifting of assets, the Foundation helps donors identify issues of importance to them and *inspires engagement* with community organizations addressing these issues, thereby maximizing the impact of charitable gifts and creating a greater sense of fulfillment.

Tom Kubik, president of Kubik Financial Services, advises his clients to review estate plans every five to seven years to assure they are kept up to date with changes in the estate laws. He also wants them to avoid probate, a process that takes nine to 12 months during which the wealth shrinks by 6 percent, the legal fee charged to settle the estate.

"In estate planning you have two choices," Kubik said. "You can do nothing and let the state of Florida and IRS decide what's left over after you die. Or you can set it up in a will or a trust that a certain amount of your estate is going to go to your church, the Salvation Army, Red Cross or wherever. That's a decision for your estate and at least that amount is not going to be subject to the estate tax."

People don't have to postpone charitable giving until after death, experts say.

Jim Brennan, president of the Sarasota division of GenSpring, an asset management firm, guides clients to help them manage charitable giving.

The initial step is a capital sufficiency analysis in which Brennan helps clients determine how much capital they'll need to achieve life goals and whether they can simultaneously afford charitable giving.

"Assuming the answer is yes they're able to (donate), we sit down and walk them through their goals through philanthropy," Brennan said. "We look at why do you want to give, is it compassion, legacy, honoring loved ones or tax motivated."

By completing a survey that helps determine a client's basis for charitable giving, Brennan is able to build a mission statement for the family that includes how much control clients want of their financial gifts and what charities they want to support.

Sarasota resident Jean Hendry went through an estate planning with Kubik years ago and decided she wanted to begin distributing her wealth to Mote Marine Laboratory. She started volunteering at the aquarium in 1984 after her husband died and about 10 years ago began giving contributions — some of which have been in the six figures.

And when Hendry, 84, dies, she will leave her home valued at \$887,100 to Mote Marine.

"It's been my pleasure to give to them," Hendry said. "To me, it is just the satisfaction of giving to Mote now rather than me trying to invest it someplace. I can give to them and they can spend it now or as necessary."

At the Manatee Community Foundation, Executive Director Marilyn Howard said tax savings are not the sole reason clients are setting up family or charitable funds.

"The economy is tough on everybody right now. It's tough on profits and it's making people feel, in some ways, as if they have less to be charitable with," Howard said. "However, we still have some very, very generous people out there."

The philanthropic organization manages 110 donor funds and 36 donor advised funds worth about \$12.5 million and has distributed grants and scholarships over the past year totaling \$842,556.

Setting up a fund at the Manatee Community Foundation starts with a consultation in which officials help clients determine what would be their most suitable fund: restricted, unrestricted, field of interest, donor advised, scholarship or agency endowment funds.

The donor advised fund allows a client to distribute charitable contributions and make recommendations about their fund while they are living.

"It's like having your own small private foundation," Howard said. "It's one of our more popular funds because people want to take a much more active role in making decisions about where their charitable dollars go."

Bob Firkins, owner of Firkins Chrysler in Bradenton, set up a charitable fund with the Manatee Community Foundation about six years ago to support local charities.

"You never know what the future holds," Firkins said. "So it's nice to put it away in good years so in years when they're not as good it is already there."

Bob Blalock, of the Bradenton law firm Blalock, Walters, Held & Johnson, PA and a board president for the Manatee Community Foundation, set up a family fund with the foundation.

Neither Firkins nor Blalock would say how much they contribute each year but their funds with the Manatee Community Foundation are classified as founders funds, which have a minimum donation of \$25,000.

Money from the fund is distributed annually to local non-profits such as the Bishop Animal Shelter, Ringling Museum, United Way and the Anna Maria Island Community Center.

"There's just so much need out there right now, you might as well distribute what you can while you're here," Blalock said.

© Factiva, Inc. All rights reserved.

[Terms of Use](#)

[<Back to Front Page](#)

[Unsubscribe to this e-newsletter.](#)

This email was sent to you by a community foundation affiliated with the Council on Foundations (COF). If you are not an intended recipient of this e-mail, please notify the sender and then delete it. COF policy bars the use of bulk mail lists. If you believe you received this email outside of these policies, please let us know at privacy@nmatpublisher.com. [Technical support](#) is available if you are having problems with this email.

This information is provided as a service to you. Product references are not intended as a solicitation, but rather, to provide information and address issues raised. Unless otherwise indicated, all service marks are the property of COF. Copyright 2009 Council on Foundations. All rights reserved.

POWERED BY  hnw