SIENAcollege
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GIFTS OF RETIREMENT PLAN FUNDS

LEAVE A LEGACY THROUGH YOUR RETIREMENT PLAN.

Qualified retirement plans may be the most tax-burdened assets you own. If you die before you have taken all of your distributions from your IRA, 401(k), Keogh, SEP or other qualified plan, the balance remaining in your plan can be subject to state and federal taxes that can claim up to 75% of its value for those in higher estate tax brackets.

Retirement plan assets may be subject to BOTH income and estate tax when you die. You can transfer your retirement plan assets at your death to your surviving spouse without incurring any taxes. When your surviving spouse dies, however, any remaining plan assets can become subject to multiple levels of taxation, including federal income tax, federal estate tax (partially offset by an income tax deduction) and generation-skipping transfer tax (GST) if the distribution is made to a grandchild.

Working with your estate planning counsel, you may find it is preferable to leave less tax-burdened assets to family and your qualified retirement plan to charity.

HOW IT WORKS

There are two ways in which to benefit Siena College through your retirement plan.

DESIGNATE SIENA COLLEGE AS THE BENEFICIARY OF YOUR IRA, 401(K), 403(B), OR OTHER QUALIFIED RETIREMENT PLAN:

- request a "Change of Beneficiary Form" from your plan administrator and when completing, name Siena College as the primary beneficiary of your plan (if you do not have a spouse, or your spouse is adequately provided for),
- leave other assets to heirs,
- your plan assets will be transferred tax-free to Siena College and your heirs will receive their share of your estate without the burden of extra taxes,
- if your spouse or partner is living, state law may require that he or she sign a "Spousal Waiver of Benefits, and,
- any residual left in your plan at your death passes to Siena College tax-free.

OR, IN YOUR WILL, SET UP A CHARITABLE REMAINDER TRUST:

- transfer into the Trust any residual in your retirement plan,
- name your surviving spouse or children as income beneficiaries for life or a term of years,
- designate Siena College as the charitable remainder beneficiary,
- avoid all income tax liability, and,
- remove the retirement plan assets from your taxable estate.

WHAT ARE THE BENEFITS?

The benefits of leaving your qualified retirement plan assets to Siena College include avoidance of both income and estate taxes levied on the residual amount in your retirement account because you have left the remainder to Siena College.