




Ora et Labora




A joint effort of Conception Abbey & St. Benedict's Abbey


a newsletter on planned giving


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TAX CHANGES AND CHARITABLE GIVING

A combination of higher standard deductions and cutbacks in many deductible expenses means far fewer Americans will be itemizing on their income tax returns. But the good news is that the deduction for gifts to charity were not cut back – in fact, donors who give cash to the Benedictine monks may deduct up to 60% of their adjusted gross income – compared to 50% previously. Although the charitable deduction may not be the principal reason people give, deductions may help our friends give more than they might otherwise be able.



Abbot Benedict leads the Way of The Cross.

There are several suggestions to make gifts in the most tax-efficient manner:

- ◆ Bunch several years' worth of gifts into one year, which may allow you to itemize every second or third year. For example, if you normally give \$5,000 annually to charities, consider accelerating your gifts by contributing \$15,000 in one year.
- ◆ Fund a charitable gift annuity from which you keep payments for life. Few people will be able to use the estate tax charitable deduction (sheltering estates up to \$11.2 million in 2018), so by “accelerating” the estate gift that you had planned for the Benedictines, you can generate an income tax deduction that may be large enough to allow you to itemize.
- ◆ Make a gift from your IRA if you are at least age 70½. A qualified charitable distribution from your IRA can take the place of part or all of the minimum distributions you are required to take each year, up to \$100,000 annually. There is no charitable deduction, but you'll avoid the income tax that you would otherwise pay on the withdrawals.
- ◆ If you were planning to leave your home or farm to the Benedictines in your estate plan, deed the real estate now but keep the right to use the property for your life. You'll be allowed an income tax charitable deduction for a large portion of the value, which can save income taxes today.



ESSENTIAL COMPONENTS OF AN EFFECTIVE WILL: REMEMBER YOUR A-B-Cs

Wills are not one-size-fits-all. Yours should be crafted to meet the specific needs of your family and be an expression of your individual goals and aspirations. While some people can get by with a simple will, others have estates that are more complex, with business interests, beneficiaries with special needs or property in more than one state. Your attorney can help you determine the plan that is right for your circumstances. When planning your estate, consider some or all of the following:



The community at Benet Lake celebrating Easter together.

A will – A will is the cornerstone of your estate plan, but may not be all that you need. Having a will drafted is not the end, however. It’s equally as important to review it regularly to determine if changes are needed and to keep it in a safe place where it can be accessed when needed.

A revocable living trust – In addition to the will, you may want a living trust to help reduce future probate expenses, provide for management of assets in the event of disability and to more quickly distribute assets to loved ones.

A Testamentary trust – A trust established in your will or living trust might be important if you have family members with special needs or if you have a spouse and children from a prior marriage who will be sharing assets.

A health care power of attorney – You can let family members and your doctors know your wishes regarding life-sustaining health care and even name someone to make decisions in the event that you are unable to do so yourself.

An estate inventory – The person you name to handle your estate should know what assets you own, the location of your will and other important documents, what insurance policies are in effect and even the passwords for various financial accounts.

“Your estate plan should be a testament to your values and those you hold dear.”

Beneficiary designations – Many assets pass outside a will: life insurance, IRAs, some financial accounts and jointly owned property. These should be reviewed to achieve a coordinated plan for the disposition of all your assets in a thoughtful and tax-efficient manner.

Charitable plans – Many people take satisfaction in making estate gifts to organizations, such as the Benedictine monks, whom they supported during their lifetimes. A gift of any size can make an incredible difference. If desired, these legacies can be arranged to also provide lifetime income to loved ones. We would be happy to work with you and your attorney to discuss ways to achieve your philanthropic objectives.

To learn more about your planned giving options, visit our Planned Giving website at:
conceptionabbey.myplannedgift.org

SUCCESSFUL WILLS, SUCCESSFUL LIVES - REQUEST YOUR FREE COPY TODAY

Will Making...It's easy! No one nags you to make a will. Indeed, during your lifetime, almost no one will know if you don't have a will. But you probably do intend to make a will...someday. Unfortunately, that "someday" may never arrive unless you take action today. What kind of action?

- ✓ Call your attorney. Make an appointment to plan your will. If you do not have an attorney, ask a friend or a relative to recommend one, or call your local bar association.
- ✓ Before the appointment, sit down with pencil and paper and set out all the goals you would like to accomplish through your will. Reflect carefully. Plan objectively.
- ✓ Keep your appointments, and follow through with your will planning.

To help you with the estate planning process, we are pleased to offer friends of the Benedictine monks a copy of our booklet, *Successful Wills, Successful Lives*. This comprehensive guide offers information about many aspects of the planning process. It's sure to spark an idea or two.

To request your free copy, return the enclosed reply card or simply call our office at (660) 944-2825.

FROM THE CLOISTER: FR. DANIEL PETSCHKE, O.S.B.

"Did you hear that the cemetery workers dug the plot in the wrong place? It was a grave mistake!"

Fr. Daniel is no stranger to puns. His wisdom and quick wit make for one-line rejoinders that have fallen many a man.

Growing up on a farm in Harlan, Ia., Fr. Daniel is also no stranger to hard work and the perseverance that farming requires. After attending high school here at Conception Seminary and St. John's Seminary in Elkhorn, Ne., he entered the novitiate at Conception Abbey and professed vows on September 1, 1962. Fr. Daniel was ordained to the priesthood on the Solemnity of the Assumption of Mary on August 15, 1967. This past August, he celebrated 50 years of priestly ordination!



Fr. Daniel on the Abbey's farm land.

In 1975, Fr. Daniel received his dream assignment in the monastery – Farm Manager. In this assignment, Fr. Daniel used and honed the skills and values that shaped his youth – patience, perseverance, and diligence. It also deepened his gratitude for God's blessings and providence – something he would take into his later assignments.

After his farm duties finished, Fr. Daniel worked in our college seminary as the Dean of Students for some years and then returned to pastoral ministry in a nearby parish. Admired for his enthusiasm and positive spirit, Fr. Daniel was made the Prior of the monastery in 2007. The Prior assists the Abbot in caring for the physical and spiritual needs of the monks, a job which one of his confreres said he "carried out this responsibility as he carried out all the others: with joy, humor, generosity, and a superb example."

Fr. Daniel is currently Director of Spiritual Formation in our seminary and director of our oblate program. As always with his work, he shares an unmistakable joy with all because he has first let that joy, which is God's light, into his soul. His love and service for his confreres, our oblates and seminarians, and all those whom he serves is a testament to his love for our Lord.



A HIDDEN ASSET FOR GIVING

Friends of the Benedictine monks sometimes own assets that are no longer needed for financial security, and could achieve greater significance as a contribution to support us, our seminarians and our many apostolates.

One of these is U.S. savings bonds.

Savings bonds may qualify as a “hidden asset for giving” because many people have simply filed them away and forgotten about them. Owners are often surprised to discover that some of their savings bonds have even stopped earning interest. Friends may be interested in bringing new life to those bonds as thoughtful gifts. Savings bonds can be used to make lifetime gifts or can be left to the Benedictines in an estate plan, although with slightly different rules.



Your support helps educate seminarians.

Lifetime giving

Under Treasury rules, savings bonds cannot be given outright to charity. They must be cashed, which will create some taxable income. Then, the proceeds can be donated, creating a charitable deduction for taxpayers who itemize on their income tax returns. The proceeds from redeeming savings bonds can also be used to fund a charitable gift annuity which will make payments for the donor’s life. A large part of these payments will be tax-free income for the donor’s life expectancy.

For example, Geraldine cashed in fully matured savings bonds worth \$50,000. She will owe tax on \$25,000 or more of interest. But if Geraldine, who is age 71, uses the \$50,000 to establish a charitable gift annuity with the Benedictines, we will pay her \$2,650 (5.3%) every year for as long as she lives. Of that amount, \$1,908 will be tax-free through her life expectancy. In addition, Geraldine will be entitled to a charitable deduction of nearly \$21,000.

Estate gifts

U.S. savings bonds left in an estate are subject to income tax, even in estates that aren’t large enough to owe estate tax. The tax is owed either by the estate or the person who receives the bonds. However, if the will or living trust specifies that the bonds are to pass to the Benedictines, all income tax is avoided. We can put the full amount to use in our programs.

We would be happy to tell you more about how this “hidden” asset can provide truly important support for the Benedictines.

Meet Our Planned Giving Staff

Father Donald Gibbs, O.S.B., entered religious life in 1975 and professed vows in August of 1977. As a religious Brother he served in a variety of ministries: nursing, hospital chaplain, and provincial leadership. At the request of the monastic community he was ordained to the priesthood by Archbishop Timothy Dolan. Since ordination he has served as pastor and on the formation faculty as spiritual director at Sacred Heart School of Theology and Conception Seminary College.



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Father Macario Martinez, O.S.B., is a monk of Conception Abbey. He grew up in a large family in Garden City, Kansas and attended Fort Hays State University in Hays, Kansas where he studied business. After finishing college, he began his seminary studies and joined the Benedictine community in 2003. As a monk, Father Macario has worked in the Business Office, the Seminary Admissions Office, and is now the Planned Giving Officer assisting donors with their charitable estate planning.



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