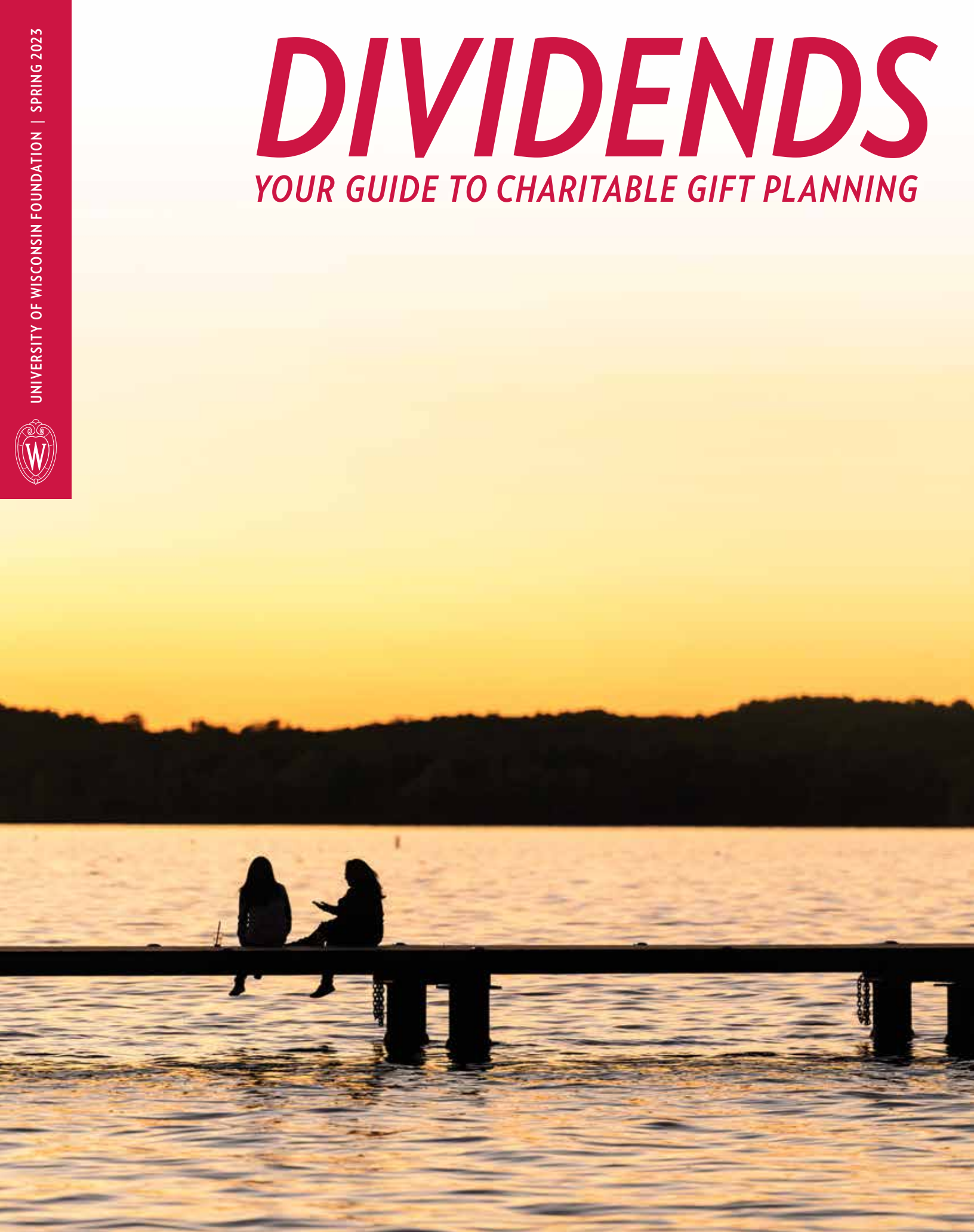




DIVIDENDS

YOUR GUIDE TO CHARITABLE GIFT PLANNING



The University of Wisconsin Foundation engages those who care about the university; provides opportunities to enhance the UW's teaching, research, and outreach programs; and guarantees ethical stewardship of the gifts received.

INSIDE THIS ISSUE

PAGE 4

The Deferred Charitable Gift Annuity: Safe, Flexible, and Predictable

PAGE 5

Stay in Touch with Us!

PAGE 6

Planning for College Expenses



Photo courtesy of Cheryl Temkin

AN ENDURING FLAME FOR UW-MADISON'S JEWISH STUDIES

Growing up and going to synagogue at Beth Israel Center in Madison, Cheryl Temkin '70 was a staple at Hebrew school, but not always willingly. "I hated every minute of it," she says, "but I was always intrigued by the language. It was like a magnet to me." That magnet pulled her to study Hebrew at UW-Madison in the former Department of Hebrew and Semitic Studies founded by Professor Menahem Mansoor.

When she left campus to spend her junior year abroad in Jerusalem, Israel, the city was still recovering from the Six-Day War that had ended the year prior, in 1967. Amidst the jubilation of victory and chaos of postwar life, Temkin and a large contingent of other students from the UW's Hebrew department lived and learned at Hebrew University. But when Temkin returned to Madison for her senior year in 1969, she wouldn't leave thoughts of war behind in Israel.

The Vietnam War was in full swing, and student antiwar protests escalated across campus. In her final semester in the spring of 1970, the National Guard occupied campus and shut down classes briefly. Although Bascom Mall was certainly quieter than usual, one class in particular was motivated by the challenge. Temkin's Hebrew class, led by instructor Aviv Melzer, continued despite the disruption, meeting out on the grass instead of in the classroom. "We were really dedicated to that department and continuing our education," says Temkin. "It had a certain special energy going on."

After graduation, Temkin left Wisconsin to work in Israel and travel before settling in Boston. There, she taught Hebrew literature and Akkadian, an ancient Semitic language, at Brandeis University. During the pandemic, although retired, she returned to teaching on a volunteer basis to teach adult Hebrew classes via Facetime.

For Temkin, particularly as an alumna and chair of the Board of Visitors for the Center for Jewish Studies, the future of Jewish studies at the UW is “hugely important on a personal level.” As she reflected on her time at the UW and the future of the program, she also contemplated her individual legacy and began exploring charitable giving. “At some point you confront the fact that you have to think what’s going to be going forward after you’re gone and where your priorities lie,” she says. “I realized that charitable gift annuities were

a vehicle I could use to gain income that I’ll need over the years. But at the end of the day, the money would go to a place that was important to me.”

With her gift to the Mosse/Weinstein Center for Jewish Studies, Temkin hopes to keep that special energy she was surrounded by at the UW alive for generations of students to come. “These are things that are going to live on,” Temkin shares. “Hopefully, they’ll do well and continue the department for many years.”

BADGERS ARE EVERYWHERE

Now in Florida, Temkin lives in a large Jewish community with many transplants from the East Coast and is often asked, “Are there really Jews in Wisconsin?” Not only are there Jews in Wisconsin, Temkin replies, but she and other alumni are working to cement UW–Madison as one of the premier institutions for Jewish and Hebrew Studies in the country.

“We are continuing to make sure that Madison is out there and is educating people from all the varieties but giving them an insight into various aspects of Jewish history, Israeli history, and some of the wide-ranging literature options that have been part of our heritage for literally millennia,” she says.

With her gift to endow a professorship in modern Israel studies, Temkin hopes to draw dedicated and passionate faculty, much like Mansoor, Melzer, and others she learned from, to the Mosse/Weinstein Center for Jewish Studies. Her brother, Harvey Temkin ’74, and sister-in-law, Barbara Myers Temkin ’75, have also recently created a new Center for Jewish Studies professorship in Hebrew language and literature. When it came time to think of giving a charitable gift, “there was really no question that it’s always going to be Madison,” she says. “It’s home.”



The Mosse Humanities Building is home to the UW College of Letters & Science. Photo by Bryce Richter, UW–Madison

THE DEFERRED CHARITABLE GIFT ANNUITY: SAFE, FLEXIBLE, AND PREDICTABLE

The future holds few guarantees, especially in financial matters. One way to ensure predictable future income and also provide for the future of the University of Wisconsin Foundation is the deferred-payment charitable gift annuity. A deferred gift annuity lets you make a current gift, generate an immediate tax deduction, and select when fixed annuity payments will begin. The deferred charitable gift annuity addresses the planning needs of a variety of life stages and financial profiles. The deferred gift annuity is an extremely attractive choice for gift planning because of its:

- **Larger annuity payments.** Because the deferred annuity does not begin making payments until a future date, it pays a higher rate than an immediate-payment annuity. This is an advantage for the person who wants to maximize future cash flow. Deferred annuity payments can begin at any time the donor chooses at least one year after the gift.
- **Larger income-tax deductions.** The size of the charitable deduction as well as the size of the payments both increase when the annuity payments are deferred.
- **Flexibility.** A donor has complete control over the amount contributed for a deferred gift annuity and the date when income payments will begin.
- **Tax-free return.** A portion of each deferred gift annuity payout is treated as a return of principal. Consequently, it is not considered taxable income and is not used to determine the taxable portion of social security benefits.
- **Estate-tax savings.** Funds contributed for a deferred gift annuity are effectively removed from the taxable estate of the donor.
- **Reduced and deferred recognition of long-term capital gain.** If a deferred gift annuity is funded with long-term appreciated capital-gain property, the annuity payments and charitable deduction are based on the full fair-market value of that property. However, the donor does not have to recognize all the gain. If the donor or donor and spouse are the only beneficiaries, the reduced gain can be spread ratably over the donor's life expectancy or over the joint life expectancy of the spouses if the annuity is funded with their jointly owned property or with their community property.

PLAN FOR RETIREMENT WITH A DEFERRED GIFT ANNUITY

Because of limits on deductible contributions to qualified retirement plans, the deferred gift annuity appeals to persons in peak-income years who want to both supplement their retirement benefits *and* make a meaningful gift.

DEFERRED-PAYMENT GIFT ANNUITY DONOR AS BENEFICIARY

Donor/Beneficiary Age 52
(Gift generates income-tax deduction)

gift (cash or property)



annuity payments
(after 15 years)



UNIVERSITY OF WISCONSIN
FOUNDATION

Donor/Beneficiary Age 67

Gift spotlight: Marsha Roberts, 52, has reached her maximum retirement-plan contribution limits. She still wants to save for retirement and make meaningful gifts to support our mission.

She contributes \$10,000 each year for the next five years for deferred gift annuities that will begin paying her at the age of 67 — \$4,790 each year for life. Of that amount, \$1,205 will be tax-free over the remainder of her life expectancy.

Cumulatively, the gifts generate charitable deductions totaling \$28,431 that saves her \$6,823 in taxes given her 24 percent federal tax rate. Furthermore, none of Marsha’s gift annuities will count toward the maximum qualified retirement-plan contribution.

Essentially, you can create your own “charitable IRA” by making annual contributions in exchange for deferred gift annuities. A significant portion of each contribution is deductible; and this plan generates an important source of funds to supplement retirement income, with no limits on contributions while addressing significant charitable goals over time.

\$10,000 DEFERRED GIFT ANNUITY PAYMENTS BEGINNING AT AGE 67

Age(s)*	Annual Payment	Tax-Free Portion	Tax Deduction
One Annuitant			
55	\$920	\$246	\$5,611
60	\$740	\$265	\$5,264
Two Annuitants			
55–55	\$800	\$211	\$4,980
60–60	\$650	\$236	\$4,645
*Age(s) of beneficiaries at time of gift			

YOU CAN UNLOCK GAIN IN A SUCCESSFUL INVESTMENT

A deferred gift annuity can also help you escape a “locked in” position in an investment, the sale of which would trigger substantial gain.

Gift spotlight: Liz Reynolds, 50, has a nest-egg fund containing growth stock worth \$50,000 that she purchased for \$10,000. She is reluctant to sell the stock and incur a \$7,520 capital-gain tax. Liz exchanges the stock for a deferred gift annuity with payments to begin at the age of 72. The stock pays no dividends, so this plan actually increases her current cash flow because of the tax savings from the \$33,543 charitable deduction. Her gift also preserves the entire \$50,000 to generate retirement funds.



STAY IN TOUCH WITH US!

The University of Wisconsin Foundation wants to stay in touch with you. As the primary manager of the university’s alumni and friends database, the UW Foundation continually seeks up-to-date contact information. You can update your information online by visiting uwalumni.com/update-info. Updating your information will help us to maintain accurate records, which we share selectively with the Wisconsin Alumni Association® and other campus departments and programs with which you may be involved as a graduate, volunteer, faculty member, or donor.



The main atrium of the Microbial Sciences Building is a popular place for studying, eating a snack, or taking a much-deserved break. Photo by Jeff Miller, UW-Madison

PLANNING FOR COLLEGE EXPENSES

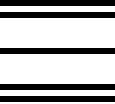
A deferred gift annuity can also be a way to make a charitable gift with a future impact, save taxes, and help a student with college expenses.

Gift spotlight: Tom and Betty Morgan have a grandson Mark, aged 8, whom they expect to enroll in college 10 years from now. They would like to subsidize their grandson's education when that time comes, and now, in their peak earning years, they would like to reduce their income tax. To achieve these objectives, they contribute \$100,000 to establish a deferred gift annuity with semiannual payments beginning when Mark turns 18. In this case, they do not want small payments made over Mark's lifetime but rather larger

payments made over the four-year period Mark is expected to be pursuing his undergraduate education, so a document is executed exchanging life payments for eight semiannual payments over a four-year period. At the end of that period, the remaining portion of their contribution will be used for the charitable purpose they have designated.

Tom and Betty make a taxable gift to their grandson, but they will incur no out-of-pocket cost because they will simply use some of their lifetime exemption. Their own cash flow will increase during the next year or so because they will have a sizeable income-tax charitable deduction from their contribution.

The information contained herein is offered for general informational and educational purposes. The figures cited are accurate at the time of writing. State law may affect the results illustrated. This is not legal advice. Any prospective donor should seek the advice of a qualified estate and/or tax professional to determine the consequences of their gift. Annuities are subject to regulation by the State of California. Payments under such agreements, however, are not protected or otherwise guaranteed by any government agency or the California Life and Health Insurance Guarantee Association.



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TO MAIL: FOLD, TAPE, AND APPLY FIRST-CLASS POSTAGE STAMP.



The historic Memorial Union Terrace offers plenty of seating in the iconic sunburst chairs, where visitors can take in lovely lake views and live music. Photo by Jeff Miller, UW-Madison

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**REQUEST YOUR COMPLIMENTARY GUIDE:
AUGMENT YOUR RETIREMENT SECURITY:
THE DEFERRED-PAYMENT GIFT ANNUITY**

1. Return this card
2. Online at supportuw.giftplans.org/augment
3. Call 608-263-4545

FOR MORE INFORMATION

Call us at **608-263-4545** to find out how a gift to the UW Foundation will further the university's mission.

Email us at uwf@supportuw.org. We are happy to answer any questions you might have or send you more information.

Visit supportuw.org/gift-planning to learn more.

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GET OUR HELPFUL GUIDE TO FIND OUT HOW TO GIVE AND RECEIVE

- Please send me a complimentary copy of *Augment Your Retirement Security: The Deferred-Payment Gift Annuity*.

PLEASE CONTACT ME

- I am considering including the university in my estate plan.
- I have included the university in my estate plan and have not previously notified you.
 - Alternately, gift details can be submitted at: supportuw.org/gift-planning/inform-uwf-of-your-legacy-gift.

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PLEASE PROVIDE YOUR CONTACT INFORMATION

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Address _____

City _____

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LEAVE A LASTING LEGACY. JOIN THE WISCONSIN LEGACY SOCIETY TODAY!

The Wisconsin Legacy Society is a recognition society that honors and celebrates alumni and friends who have made a commitment to support the University of Wisconsin–Madison through a legacy gift.

By including the University of Wisconsin Foundation in your estate planning and sharing your gift intentions with us, you qualify for membership.

Join the Wisconsin Legacy Society's 2,500+ current members in ensuring excellence at the University of Wisconsin–Madison for generations to come.

CONTACT THE OFFICE OF GIFT PLANNING

To learn how you can join the growing community of alumni and friends who have created a legacy for the future of our great university, call **608-263-4545** or visit supportuw.org/legacy.