

# Royal Legacy Society

The Royal Legacy Society, established to recognize those alumni and friends who have thoughtfully remembered the University through a bequest or another future gift commitment, is named in honour of Queen Victoria, who established Queen's University by Royal Charter in 1841.

Royal Legacy Society members receive a Certificate of Appreciation signed by the Principal and Vice-Chancellor, and may choose to be recognized on our donor wall housed in the 1923 Reading Room of Douglas Library.

If you have already remembered Queen's with a future gift, please let us know so that we can appropriately honour your intention.

We look forward to welcoming you into the Royal Legacy Society.

For more information, please visit our website at [www.queensu.ca/giftplanning/royallegacysociety](http://www.queensu.ca/giftplanning/royallegacysociety)

## Save Paper!



If you would like to receive future issues of this newsletter by email, please contact us at [gift.planning@queensu.ca](mailto:gift.planning@queensu.ca)

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Please contact the Office of Gift Planning if you are considering a legacy gift to Queen's to ensure your gift can be accepted and used as you intended. Additionally, depending on the structure of your gift, it may be more appropriate to donate to our U.S. Foundation. Our office can provide advice regarding the best method of giving for your situation.

The *Queen's Financial Planner* is provided as a special service for U.S. alumni and friends of Queen's University\*. The information and opinions contained in this newsletter are obtained from sources believed to be reliable, but their accuracy cannot be guaranteed. Queen's University\* and its employees and agents assume no responsibility for errors or omissions or for damages arising from the use of the published information and opinions. Readers are cautioned to consult their own professional advisors to determine the applicability of information and opinions in this newsletter in any particular circumstances. This newsletter is copyright; its reproduction in whole or in part by any means without the written permission of the copyright owner is forbidden.

## Your Bequest and Queen's University\*

A time-honored method of supporting Queen's University\* is through a bequest.

In its simplest form, your will provides that Queen's University\* is to receive a specified sum of money, a specific piece of property, or a stated percentage of your estate. Each of these bequest methods has certain advantages. Our new publication – *Planning Your Bequests* – explains the various bequest forms and will be helpful in planning your own bequest to Queen's University\*.

Whatever the form of your bequest, you may want to state exactly how your bequest is to be used. You can even direct that the bequest be made as a lasting memorial to yourself or a loved one – permanent testimony of your generosity and concern for the future of Queen's University\*.

But your bequest may have an equally important practical side: to benefit Queen's University\* and still provide full financial security for your family.

Your estate can deduct – for federal estate tax purposes – the total dollar value of any property passing to Queen's University\* under your will.

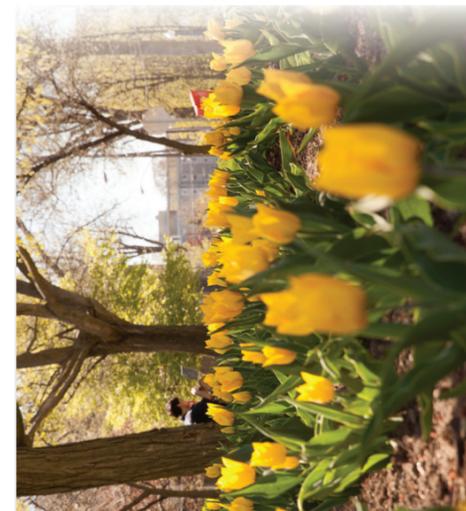
This valuable booklet explains some basic facts about wills – and the time-proven methods of making a bequest to Queen's University\*. *Planning Your Bequests* will show you how a bequest to Queen's University\* can effectively fit into your estate planning.

If you would like more information on planning for a bequest to Queen's University\*, please return the attached card.

### \*Residents of the United States

U.S.-based alumni and relatives can make donations including bequests directly to the University under the Canada-United States Income Tax Convention. Matching gifts, gifts from other American citizens or residents, or gifts from corporations, foundations, trusts and IRA accounts should be directed to the U.S. Foundation for Queen's University at Kingston (Employer ID 52-1960422). Our U.S. Foundation is a 501(c)(3) tax-exempt organization recognized under the U.S. Internal Revenue Code.

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## FINANCIAL PLANNER



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### Hooked on Queen's

As gifts to Queen's go, it is certainly one of the more tangible – and one of the more visually and physically appealing.

Dr. Margaret Gibson's rendering of the Queen's crest sits high on the back wall in Grant Hall. The rich red, gold and blue of the hooked rug grab the eye. As you look at it more closely, you see that she has worked in symbols almost invisibly – a treble clef in the crest itself (for the school of music), a ringing school bell below it (for education), a set of scales (for law) and a bull and bear (for commerce). There are also question marks (perhaps representing the spirit of inquiry) scattered about randomly. The pile of the rug gives it a marvelous tactile quality; you can almost feel it on your fingers.

Doing something tangible, making a difference, means a lot to Dr. Gibson. It was her motivation to study medicine. It inspired her to learn how to hook rugs like the one she presented to the university. And it has been the guiding force behind her decision to include in her will a bequest to fund the future annual J. Henry Gibson & Muriel Stiver Lecture on Mental Health of Our



Dr. Margaret Gibson, MD '76, poses with her one-of-a-kind Queen's Crest hooked rug in Grant Hall.

Children, an area of psychology that is badly neglected.

As a high school student, Gibson thought she might study to be a dietitian at the University of Toronto. An encounter with a surgeon changed all that. Becoming ill after having her appendix out, Gibson was seen by a surgeon who operated on the infection. "Within hours, I was feeling better. And I thought, 'isn't that wonderful how that doctor could come and help me like that. I think I'm going to work to be a doctor.'" When a favourite history teacher who had gone to Queen's suggested she should go there, the path of her university career was set.

(continued on inside)



To this day, more than 40 years later, Gibson has sharp memories of her professors. "There was Dr. Chadwick and Dr. Chadwick – they were husband and wife. There was Dr. John Fay. He was very good. The thing with Dr. Fay, for the residents on rotation, if they could get him talking about the Navy they were going to be all right on those rounds. Dr. Ivan Beck in GI, Dr. DaCosta – they were all good teachers." She flirted with the idea of doing internal medicine before finally settling on pediatrics, ultimately setting up a practice in Kingston in 1983 as a pediatric allergist, also specializing in asthma and clinical immunology. In addition to seeing patients, she taught medical students and pediatric residents at Queen's.

"But I only practiced for 13 years," she says. "I became ill and my doctor said I'd have to take time off. I said I couldn't because I had patients coming to look after, and she said I had to – my mental health needed it.

"I left the office on April 30, 1996. I thought I was going for two or three weeks. I've never been back and I never will be."

Learning to hook rugs was a form of therapy. "I went into medicine to help people, and I really looked after my patients." No longer being able to help them was "a huge loss."

"This was something I could do where I felt I was accomplishing something. It made me feel better and the loss of what I had been able to do was less troublesome." The inspiration for her version of the crest was a banner that had hung in Grant Hall during her student days. "I remember thinking, 'That's getting to be old. I imagine it's going to disintegrate.'" Her version of the crest was done using strips of cloth on a linen backing "because linen will probably last 300 years."

That desire to give something tangible and to help others was the inspiration behind her decision to leave a charitable gift in her will to set up the J. Henry Gibson & Muriel Stiver Lecture, named in memory of her parents.

"Mental health in children wasn't being addressed. It was taboo." During her own training as a pediatrician she says, "we never heard anything significant about it. It just wasn't there." And although it wasn't the central purpose of her practice, "I had experience with young people who had shown a need. I also know myself because I have severe mental health problems, and I have seen first-hand that there is a huge deficit in the knowledge the medical profession has of these problems."

The fund will bring in qualified speakers to talk to Queen's clinicians as well as other interested people in the community such as nurses and high school teachers – the people most likely to first spot mental health problems in children.

It will be a legacy as beautiful in its own way – and hopefully as durable – as that rug hanging in Grant Hall.

## Don't Need an Estate Tax Charitable Deduction? We've Got Ideas

A gift to charity generates an estate tax charitable deduction, but what if your estate isn't subject to tax? In 2015, the estate tax credit shelters estates up to \$5.43 million. Many people, even those with estates in excess of the sheltered amount, avoid estate tax by leaving assets to surviving spouses, which qualify for the unlimited marital deduction.

Even if estate taxes aren't a concern, many people want to remember the organizations, such as Queen's University,\* that have been important in their lives.

■ Mary had a \$50,000 charitable bequest to her favourite organization in her estate plan, but she changed her living trust to leave everything to her husband instead. No matter how large her estate, she will owe no estate tax, thanks to the marital deduction. But Mary is confident that her husband, who also loves the organization, will make the "bequest" for her. At her death, he can make a lifetime gift of \$50,000 and will be entitled to an income tax charitable deduction, saving more tax than if she left the bequest in her estate plan.

■ The Smiths have seven children and several grandchildren. Over the years they made annual gifts to the younger family members using the gift tax exclusion (\$14,000 in 2015). Because of these gifts, the Smiths will have an estate that they anticipate will be completely sheltered from the estate tax. The Smiths have also been generous donors to various charities and would like to continue their support through their estate plan, but there would be no estate tax benefit for their bequests. Instead, the estate of the survivor will go to the children, who are aware of and share the parents' philanthropic goals. The children can then make the gifts to charity in the parents' names and receive income tax deductions that will save them money.

■ George established a trust that, at his death, will pay all the income to his sister for life, along with any trust principal that the trustee deems appropriate. At his sister's death, the remaining assets will be distributed to his favourite organization. Because this is not a qualified charitable remainder trust, no charitable deduction will be available. But because George's estate is below the sheltered amount, the deduction is not important. The trust will not be tax-exempt, but George wants to ensure that his sister has the funds necessary for her comfortable support.

Please feel free to call our office if you'd like more information on these or other ideas for continuing your generous support of Queen's University\* through your estate plan.



## IRA Planning: It's Not for Amateurs

You've put it off as long as possible, but now time's up. You've turned 70½, and soon will have to make withdrawals from your IRA. A standard table governs how much you must withdraw from your account each year, starting in the year after you become 70½ years old. You simply add up the value of your accounts at the end of the year and divide that amount by the applicable distribution period or life expectancy, according to your age, to figure your required minimum distribution for the current year. The table on this page shows the applicable distribution period.

There are some general rules to remember about IRA withdrawals:

■ The minimum withdrawal amount is figured separately for each IRA account, but funds need not be withdrawn on a proportional basis. The aggregate total of the required withdrawals from all IRAs can come from the account earning the lowest rate of return.

■ If you take less than the minimum required distribution, a 50% tax is imposed on the amount you should have received but didn't.

■ You can name Queen's University\* (or a charitable remainder trust) as a beneficiary of your IRA or other account without increasing the minimum amounts you must withdraw each year.

■ Designated beneficiaries have the option to spread benefits over their life expectancies.

■ If renewed for 2015, the owners of traditional and Roth IRAs can direct the custodian to make distributions directly to public charities, such as Queen's University.\* Amounts up to \$100,000 pass tax free and can satisfy required distributions. Owners must be age 70½ or older. Call to find out whether the law has been renewed.

Check with your advisers as to how the rules affect your tax and estate planning. We would be pleased to discuss with you and your advisers ideas for using your retirement account to benefit you, your family and our future.

Age	Distribution Period	Minimum You Must Withdraw
70	27.4 years	3.6496%
71	26.5	3.7736
72	25.6	3.9063
73	24.7	4.0486
74	23.8	4.2017
75	22.9	4.3668
76	22.0	4.5455
77	21.2	4.7170
78	20.3	4.9261
79	19.5	5.1282
80	18.7	5.3476
81	17.9	5.5866
82	17.1	5.8480
83	16.3	6.1347
84	15.5	6.4516
85	14.8	6.7568
86	14.1	7.0922
87	13.4	7.4627
88	12.7	7.8740
89	12.0	8.3333
90	11.4	8.7719
91	10.8	9.2593
92	10.2	9.8039
93	9.6	10.4167
94	9.1	10.9890
95	8.6	11.6279
96	8.1	12.3457
97	7.6	13.1579
98	7.1	14.0845
99	6.7	14.9254
100	6.3	15.8730

For more information on any of the topics discussed in this newsletter, simply fill out and mail the reply card below or visit our website at [www.queensu.ca/giftplanning](http://www.queensu.ca/giftplanning).

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**Thank You**

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*With no obligation to me:*

**Yes!** Please send me your new booklet, *Planning Your Bequests*, that explains bequest forms and will be helpful in planning my own bequest to Queen's University.\*

I prefer to receive this booklet via e-mail.

I am considering a provision in my Will for Queen's University.\*

I have arranged a planned gift to benefit Queen's University.\*

