

# 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/alumni/giftplanning](http://www.queensu.ca/alumni/giftplanning).

## 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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OFFICE OF GIFT PLANNING  
**Queen's University**  
Department of Development  
Kingston, Ontario  
Canada K7L 3N6

## Free Personal Affairs Record from Queen's University\*

Investment ideas . . . tax saving techniques . . . planning for retirement . . . suggestions for a truly thoughtful will . . . all of these can be tremendously important to our many friends – so important, in fact, that we have undertaken to provide reliable tax and financial information as part of our long-range development activities.



Based on this experience, we are pleased to make such a booklet available to you. Our *Personal Affairs Record* is a rich reservoir of vital information – checklist of your vital statistics, your personal assets and debts, the location of your will, your personal advisors, your insurance policies and retirement benefits, information on trusts, the location of tax records – in short, all the facts, figures, names and numbers that play a role in your life and in the lives of your beneficiaries.

Our Office of Gift Planning will be delighted to send you a *Personal Affairs Record* if you simply return the attached reply card. We'll also be glad to provide you with more information on estate and financial planning and on the opportunities, programs and goals of Queen's University.\* There is, of course, no obligation.

### \*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.



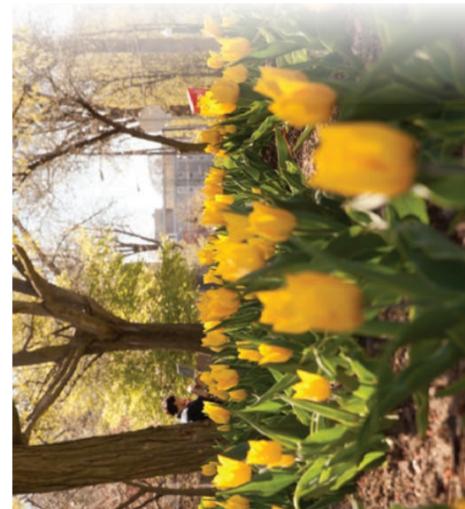
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Please contact the Office of Gift Planning if you are considering a legacy gift to Queen's to ensure your gift can be accepted and used as you intended. Additionally, depending on the structure of your gift, it may be more appropriate to donate to 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.

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## FINANCIAL PLANNER



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### Giving Back to the Program That Shaped Their Lives

They took classes in basement, had a hotel for a residence, and spent a lot of their time trying to explain to people what Rehabilitation Therapy was.

There weren't many of them back in 1967 – fewer than 30, all of them young women – the first-ever intake into Queen's School of Rehabilitation Therapy. Nearly 50 years later, they remain close friends and colleagues and are committed to giving back to their school and their university, both as individuals and as a group.

Sit down to talk with three of them – Cathy Ambler, Linda Watson and Linda Shroud – and the bond among them, and their gratitude to the school, quickly becomes obvious. “The program shaped my life,” says Ambler (to the others’ agreement), “it opened up doors for me.”

Being part of a new program had its challenges. “The rehab program was late getting established,” says Watson. “We weren't accepted until the middle of the summer when they knew it was going to go.” (In fact, Shroud didn't even apply until August.) Classroom space was wherever the school could find it –



Linda Shroud, Cathy Ambler and Linda Watson

including the basement of Brockington House, then a men's residence. “We were at the height of the baby boomers going to university and there was a real crunch for space,” remembers Watson. “I was one of a number of rehab therapy students living in the LaSalle Hotel (now the LaSalle Mews on Princess Street).

“We had the whole fourth floor and our own don. In those days in residence on campus, you had only one phone per floor. We had double hotel rooms, each room had its own phone, its own television and its own bathroom – luxury!”

“I think we knew we were unique,” says Watson. “No one else had heard of our program.”

“And try explaining what occupational therapy is,” says Shroud.

(continued on inside)

## Giving Back to the Program . . . *(continued from cover)*

“So we kind of had to stick together,” says Watson.

Those bonds endured, even after they graduated in 1970 from what was then a three-year program. Every five years since their graduation, the group has held a reunion, which is a relatively simple affair to arrange given their small numbers. “I think that as a group of women,” says Ambler, “there was a common thread in our personalities. We had a lot of common sense, we were very hands-on people – get the job done – and I think that thread has kept us interconnected.”

At their 35<sup>th</sup> reunion in 2005, the group decided to give back to Queen’s and their school as a group. “We weren’t struggling students anymore,” says Watson, “most of us had successful careers and we had reason to reflect.” They decided to create The Rehabilitation Therapy Class of 1970 Bursary. “We talked a lot about criteria,” says Watson. “We wanted to support students who were in financial need, the kids who have to struggle.” “During our 35<sup>th</sup> anniversary reunion,” says Shrout, “we had a meeting in the Louise D. Acton building with a member of the Gift Planning Team, and she told us what we needed to do.”

“We had to have a certain amount of money to establish the fund,” adds Ambler. (In 2005, the amount was \$10,000; today it’s \$50,000.) “But the money didn’t have to be upfront, we could pledge it over five years.” Today the fund totals more than \$29,000 and, since its establishment, the bursary has given out more than \$6,000 to ten students in the second year of the occupational and physical therapy programs on the basis of financial need. In addition to their support for the bursary, all three women have plans to remember Queen’s – either through an amount designated in their will (Ambler and Shrout) or by gifting an insurance policy to Queen’s and designating the school as the ultimate beneficiary (Watson).

There was no 45<sup>th</sup> reunion celebration for the class of 1970 this year. Not because the graduates aren’t still keen, but because they decided it would be better to roll their reunion into the school’s own celebrations in 2017 to mark the 50<sup>th</sup> anniversary of the founding of the School of Rehabilitation Therapy. When it comes to today’s graduates from Rehabilitation Therapy, Shrout speaks for her own classmates when she says, “I would like them to be really proud of themselves and the profession.” When it comes to giving back, she says, “You’ve got debt when you graduate, but I think I’d tell them to start small and plan big. Put a toonie (\$2) in a pot and at the end of the year, you could have 100 dollars. Over ten years that can add up to a thousand – multiply that by the size of a class and it makes a difference.”

And making a difference – to Queen’s and the wider community – has been important to the first alumnae of the School of Rehabilitation Therapy. Today, as Cathy, Linda and Linda look forward to joining the School’s 50<sup>th</sup> anniversary celebrations in 2017, their friendship, passion and commitment to each other, their professions and their school should inspire others to give back to Queen’s.

## Plan Ahead to Avoid Family Feuds

Everyone would like to think that heirs will get along well after the reading of the will. The reality is, however, that many simmering feuds boil over when it comes time to distribute assets among family members. Try as they might, parents aren’t always able to divide assets evenly. Here are some ways to minimize future friction over inheritances:

- Have a serious discussion with your children now, particularly if your estate will not be divided equally. You may choose to leave more to one child than the others for any number of reasons (medical concerns, financial setbacks or simply to even out assistance given to the others during your lifetime). If the children don’t know in advance why some are treated differently, it may result in lingering hard feelings.

- Disputes often arise when family members must decide how to divide personal property. If there are specific items that you wish to leave to certain family members (e.g., the grandfather clock to the oldest child or the diamond earrings to the daughter), write a letter of instruction. Unlike a will, a letter of instruction is not a legal document, so it can be changed without the rigid requirements for witnessing. Or, you could give these assets during your life, to assure that they pass as you wish. This also removes the value of the items from your gross estate. Keep in mind the relative value of the items left to your children. You may wish to have periodic appraisals done to keep the values roughly equal. The appraisals will also help the executor prepare a valuation for estate tax purposes.

- Consider different options for the family home. The house can be sold, with the proceeds divided equally among the children. If one child wishes to live in the home, you can leave the home to that child and give assets of equal value to the other children. Another option is to allow one child to purchase the home from his or her siblings. The same can be done with a vacation home, or it can be left in joint ownership, for the continued enjoyment of all family members.

- When designating assets for the children, consider the tax consequences. For example, life insurance passes free of income tax to the beneficiary, while an IRA is subject to income tax when the beneficiary takes distributions. If you name the US Foundation for Queen’s University\* as the beneficiary of part or all of a retirement account, income tax is avoided on that share.



## IRA Charitable Rollover Made Permanent

Since 2006, Congress has extended on an annual basis the ability of IRA owners ages 70½ and older to make distributions to qualified organizations of up to \$100,000 per year. In late 2015, the Protecting Americans from Tax Hikes Act of 2015 was passed, allowing the tax break for IRA charitable transfers to be made permanent.

Amounts the US Foundation for Queen’s University\* receives will be free of income taxes and will also avoid future estate taxes. IRA gifts can take the place of required minimum distributions, reducing your taxable income for 2016. Eligible friends have the opportunity to plan their qualified charitable distributions (QCDs) for maximum tax advantages and see their gifts put to use during their lifetimes.

### IRA Gift Rules:

- Donors must be at least age 70½ on the date of the gift.

- Transfers may come only from traditional or Roth IRAs, not other qualified retirement accounts.

- IRA custodians must make the payments directly to charity. If a donor receives a distribution and makes a gift to charity, the full amount will be subject to income tax, although the donor will be entitled to a charitable deduction.

- No charitable deduction is allowed, but donors avoid the income tax that would otherwise be owed on a withdrawal.

- QCDs cannot be used to establish charitable gift annuities or to fund split-interest gifts, but can be used to satisfy outstanding charitable pledges.

- Transfers can be made only to public charities, not to donor advised funds, private foundations or supporting organizations.



## Consider These IRA Gift Ideas

- *Significant Gifts.* Phyllis has planned to leave us most of her IRA at her death, but wishes she could see her gift at work now, during her lifetime. Phyllis plans to direct a \$100,000 gift from her IRA and avoid both income taxes and estate taxes.

- *Annual Distribution Gifts.* Under the law, IRA contributions count toward mandatory annual distributions required of individuals over age 70½. That means IRA gifts can reduce taxes. Robert, for example, must withdraw \$20,000 from his IRA, even though he doesn’t need the money for living expenses. If Robert wishes, he can direct a \$20,000 transfer to the US Foundation for Queen’s University\* prior to taking any distribution and reduce his federal taxes by \$5,600 in his 28% tax bracket. Other tax savings may occur, as well.

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/alumni/giftplanning](http://www.queensu.ca/alumni/giftplanning).

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Daytime Phone (\_\_\_\_\_) \_\_\_\_\_

E-mail \_\_\_\_\_

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**Thank You**

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*With no obligation to me:*

**Yes!** I agree it is certainly a good idea to keep a complete list of current financial and personal data. Please send me a free copy of the *Personal Affairs Record*.

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.\*

