

# planning makes a difference

A publication from Queen's Office of Gift Planning



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## Building on a family legacy

### Michael Lynch, Meds'58

Like many of us, Michael Lynch, Meds'58, is curious about his ancestors. His genealogical research has uncovered stories of the Lynch family: the ones who took risks, who suffered great losses and who kept striving to make a better life for their children. Dr. Lynch has honoured some of his forebears in the named gifts he has made to Queen's University.\* Without Lynch's ancestors, he wouldn't be where he is today, the proud patriarch of a successful family and a noted medical expert, now retired, in both forensic psychiatry and in the diagnosis and treatment of depression.



*Michel Lynch,  
Meds'58*

Dr. Lynch's great-grandfather, Daniel Lynch, immigrated to Canada from Ireland in 1869. A stonemason, he was tragically killed in a workplace accident in 1885.

"That left my grandfather—Michael Joseph Lynch—an orphan at the age of 15," says Lynch. "In my mind, he was, in his own way, the most successful of the family—he built himself up the most."

### Next generation

Michael Joseph Lynch became a salesman in Kingston where he and his wife, Helen, raised four boys. But sadly, Michael Joseph didn't live to see his sons into adulthood: he died in 1914. All four sons went on to attend Queen's, the eldest, M. Gerald, graduating from Queen's Medicine in 1921.

M. Gerald's son, Michael John Lynch, also came to Queen's to study medicine. Michael's class, Meds'58, was a small, close-knit one facing a very tough curriculum. "You took an exam at the end of the year," he remembers. "And if you failed it, you took a supplemental exam in August. If you failed *that*, then you repeated your entire year, including the subjects you had passed."

Michael Lynch graduated from Queen's and went on to specialize in psychiatry. "Truthfully," he says, "it was probably to take a look at myself and

*(continued on Page 2)*



## Building on a family . . . *continued from cover*

try to find out how I became the person that I am. Psychiatry was a whole new branch of medicine. I found it fascinating!”

Specializing in forensic psychiatry, he became well known as an expert on the insanity defense. He also treated patients with depression. “I was able to help people get well, many of them who were sick for years, not properly diagnosed,” he recalls. “I cannot tell you how emotionally rewarding that was.”

### Helping future doctors

Getting through medical school takes a lot of hard work, skill, perseverance . . . and resources. To honour the people who made his life journey possible, Michael Lynch, Meds’58, set up funds to help the next generation of medical students at Queen’s. These awards are given annually on the basis of financial need and academic achievement.

- The Dr. M. Gerald Lynch Award in Medicine for students entering the second year of Queen’s Medicine.
- The Michael Joseph Lynch Excellence Award in Medicine for students entering the third year of Queen’s Medicine.
- The Dan Lynch Award for students entering the final year of Queen’s Medicine.

Dr. Lynch has also generously remembered Queen’s in his estate. His bequests will ensure the awards that he set up will grow in years to come and will also establish a Chair in Psychiatry. Dr. Lynch’s gifts to Queen’s will not only reduce the financial burden for medical students, they will also provide resources to recruit leading faculty and ensure continued excellence in medical education and research.

If you would like more information on how to create your own meaningful legacy at Queen’s University,\* please contact the Gift Planning office at [gift.planning@queensu.ca](mailto:gift.planning@queensu.ca) or by calling 1-800-267-7837.



## Are your beneficiary designations “stale”?

Even if you have the most up-to-date will or living trust, if beneficiary designations on life insurance and retirement plans are not reviewed regularly, much of your careful planning could be in vain. Why?

- Under federal law, a surviving spouse is automatically the beneficiary of a 401(k) plan. This is true despite what a will states or even what the beneficiary designation provides. If a widow or widower remarries, the new spouse will be entitled to the funds unless a spousal consent waiver has been properly executed.
- Unlike a 401(k) account, an IRA does not automatically pass to a surviving spouse. Instead, the beneficiary designation on file with the IRA custodian dictates how the funds will pass. This could create a problem if the named beneficiary is not living at the time of the IRA owner’s death or if the beneficiary is no longer married to the IRA owner.
- Life insurance generally passes to the beneficiary named on the policy. Owners who marry, divorce or have other life changes should review beneficiary designations to ensure that they still reflect the owner’s wishes.
- Keep in mind that you can name Queen’s University\* as the beneficiary of all or a part of your life insurance or retirement plan. Your estate will be entitled to a charitable deduction for any amount we receive, and any income taxes that might be owed by other beneficiaries will be avoided.

Contact us for more information about beneficiary designations.





## Retirement planning changes ahead

**T**he *SECURE* (Setting Every Community Up for Retirement Enhancement) *Act*, a law passed at the end of last year, presents opportunities, but also potential pitfalls, for existing estate plans.

Among the changes:

- For those turning 70½ after 2019, required minimum distributions (RMDs) can be postponed until age 72, allowing continued tax-deferred growth in IRAs and 401(k) plans. There was no change, however, to the age you can begin making a qualified charitable distribution to charity. For 2020, RMDs have been waived through the end of the year.
- Those with earned income can continue contributing to deductible IRAs until age 72. (The previous cut-off was age 70.)
- Stretch IRAs will no longer be an option, except for surviving spouses and beneficiaries who are disabled, chronically ill or not more than 10 years younger than the IRA owner (see article on right about an alternative to a stretch IRA). Minor children of the IRA owner are also an exception, although once the child reaches the age of majority, remaining benefits must be taken within 10 years. (In some cases, a testamentary charitable life income gift can provide loved ones with payments for up to 20 years or life.)

Your charitable interests, such as Queen's University,\* can also be named as the final beneficiary of an unused retirement plan fund, as discussed in the article on Page 3. Contact us for more information.

## Charitable opportunity

IRAs may have all or a portion of their accounts pass to a charitable remainder unitrust that makes payments to younger family members. Not only do beneficiaries receive payments for life, similar to the stretch IRA, but when the trust ends, remaining assets pass to charity. If the IRA owner's estate is subject to tax, an estate tax charitable deduction is available for the value of the remainder interest in the trust.

## Tips and traps when naming your beneficiaries

Important assets, such as life insurance, pay-on-death accounts, jointly owned property and, in particular, retirement accounts, most likely will pass outside your will or trust through beneficiary designations. These designations can present a variety of traps that may frustrate your estate distribution plans. The publication, *Tips and Traps When Naming Your Beneficiaries*, being offered by Queen's University, addresses these challenges and how to avoid them. Just send in the enclosed remit envelope for your complimentary copy.



# Royal Legacy Society

The Royal Legacy Society recognizes those alumni and friends who have thoughtfully remembered Queen's University through a bequest or other future gift commitment.

If you have already remembered Queen's in your estate plans, please let us know so that we can honour your intention.

For more information on the Royal Legacy Society, please visit our website at [queensu.ca/alumni/rls](http://queensu.ca/alumni/rls).

We look forward to welcoming you.

## A note of sincere thanks

As a loyal and committed supporter to Queen's University,\* we want to thank you for all you have done for us in the past. Your generosity has enabled us to continue to further the mission of the university to offer quality education to its students and to empower its graduates to provide exemplary service in their communities.

If you are thinking about including any charitable provisions in your plans, we hope you will consider including Queen's University\* in them, thus ensuring your enduring support in the future. If have already done so, please consider letting us know so we can express our deep appreciation and welcome you as a member of the Royal Legacy Society.

Above all, know that we are grateful for you.





## An estate planning checklist

- Have you given serious thought to your long-term financial plans?
- Do your existing plans account for changes in your family makeup, such as births and marriages?
- Have you assessed the value of your assets since you last revisited your plans?
- If you anticipate estate tax liability, have you made provisions for any taxes to be paid?
- Are those who assisted you in the past still able to help carry out your wishes?
- Have you considered including your charitable interests in your plans?

If you answered “no” to any of the above questions, your overall estate plans may be due for a review. Your professional advisors can offer suggestions and help with any updates you might need.

### \*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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