

THE BENEFICIARY DESIGNATION — A KEY PART OF YOUR PLANNING

Using a beneficiary designation to make a gift to the American Council of Learned Societies is often overlooked, and potentially can result in more of your assets going to your heirs. As with other ACLS loyal supporters, the uncertainty of how much you may need in retirement might make you reluctant to part with assets now that you may need later. It's understandable. Here is why and how using a beneficiary designation may work for you, your loved ones, and for the American Council of Learned Societies.

YOUR WILL OR LIVING TRUST — ONLY PART OF THE PICTURE

The distribution of assets passing through your probate estate is determined by your will. If you have a living trust, it only distributes assets owned by the trust. You likely own many assets whose distribution is not controlled by your will or living trust. These assets will pass to your heirs or others you have named as beneficiaries in documents other than your will or living trust. You may have more assets that will pass through beneficiary designations than will pass under your will or living trust.

YOUR BENEFICIARY DESIGNATION CONTROLS WHO GETS THESE ASSETS

- Retirement accounts — IRA, 401(k), 403(b), Keogh
- Life Insurance Policy
- Bank accounts such as Certificates of Deposit and Savings Accounts
- Investment Accounts at brokerage companies
- Commercial Annuity Contracts



Fellow Juliet Sperling studies a nineteenth-century anatomical flap book, as part of her research into media that sought to capture movement before the emergence of cinema.



THE TAXES THAT CAN REDUCE WHAT YOUR HEIRS RECEIVE

In most cases, you have never paid income taxes on assets you contributed to retirement accounts such as IRAs, 401(k)s, and 403(b)s. If you name your heirs as beneficiaries of these accounts, the IRS will require that they pay income taxes when they withdraw the assets, which for most non-spouse designated beneficiaries must take place within 10 years, potentially pushing those beneficiaries into higher tax brackets. If your estate is subject to estate tax, assets controlled by beneficiary designation could subject your estate to even more taxes and further deplete these accounts for heirs. [charity_nickname] is tax-exempt. Therefore, if you name [charity_nickname] as the beneficiary you can use the full value of the accounts to advance our mission. Leaving other assets to your heirs will allow them to keep more of your assets.



YOUR NEXT STEPS

You should consult with your professional advisors as to how naming the American Council of Learned Societies as a beneficiary of some or all of your accounts will impact your overall estate plan. You will need to obtain the beneficiary designation forms from account administrators and return the completed forms to the administrators. Some investments managers will allow you to designate beneficiaries through their website.

THE 1919 SOCIETY

To recognize those who have invested in ACLS and have realized the important legacy a planned gift creates, ACLS has established The 1919 Society. Named for the year of our founding, The 1919 Society acknowledges forward-thinking benefactors who partner with ACLS to help keep the humanities vital and relevant for future generations.

Everyone who has notified ACLS of an estate intention is recognized as a member of The 1919 Society.

WE ARE HERE TO ASSIST

If you have questions please contact our Office of Gift Planning at 646-485-5960, or by sending an email to nglotzer@acsls.org.

