

Financial planning  
ideas for

# Our Family our future

## A Heart and Legacy for Children in Need

**W**hen Legacy Society member Bill Harvey was updating his will a few years before he passed away, he asked two trusted people in his life—his attorney and his niece, Peggie Lewter—for advice about including a charitable gift in his will. Bill's criteria for the gift was twofold: He wanted it to benefit children and he wanted to give to an organization that served his community. Bill's attorney and Peggie both recommended Youth Villages.

Though Bill had no children of his own, he always had a heart for children in need. His mother, Elizabeth Harvey, had been orphaned at a young age and was later adopted. Throughout her life, Elizabeth had supported orphanages with financial gifts and Bill followed her lead.

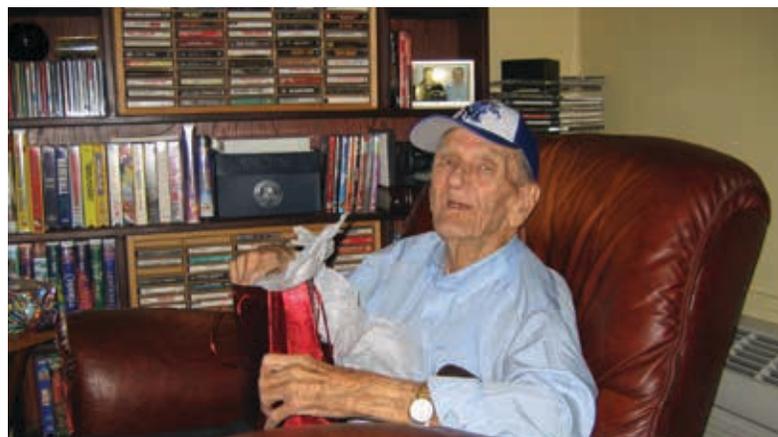
Bill, the youngest of Elizabeth's five children, never married, and after a career in the family's cotton ginning business, he retired at age 37 to travel with his mother. Florida and New Mexico were favorite destinations, though Elizabeth maintained a house in Covington, Tennessee and they returned home periodically. During this time, Bill began investing in the stock market, sometimes being advised by his mother. After Elizabeth passed away, Bill continued to travel, living in motels. He briefly had a home in New Mexico but later sold it and continued investing in the stock market with considerable success.

"Uncle Bill never owned more than would fit in his car," recalled Peggie. "He liked to be able to get up and go at a moment's notice. If you wanted to reach him, you called the front desk of the motel and they would get him on the phone. I didn't see him much when I was growing up, but my mother (Bill's sister-in-law) thought the world of him and kept in touch."

Health issues later in his life brought Bill back to the Memphis area. Peggie and her husband, Lee, along with her sisters, provided the family support Bill needed, taking him to doctor visits and finding him a place to live. Peggie was happy to recommend Youth Villages when Bill was making decisions about his charitable gifts in his estate plans.

"Lee and I have supported Youth Villages financially for many years and been to functions there. At one time, our church, Decatur-Trinity, led a Sunday afternoon devotional time for some of the Youth Villages residents, and Lee and our son have been part of it. We think the work Youth Villages is doing—and their success rate—is wonderful."

Bill Harvey passed away last year after a brief illness. His generosity to Youth Villages in his will was not a surprise to Peggie. "Uncle Bill supported a number of charities throughout his life, all that served children in need," she shared. "Our family is so proud and happy that Uncle Bill made Youth Villages a part of his legacy. It's clear that's where his heart was."



Bill Harvey

# Q&A about Year-End Giving

**Y**ear-end is a season when many are considering ways to show their support of Youth Villages and other favorite charitable organizations as they make their future plans. Here are some helpful questions and answers to consider as you make your own plans.

**Q. What are the advantages of making a gift to Youth Villages before the end of the year?**

**A.** You may want to take a special look at the timing of your gifts to maximize any tax savings. Only gifts completed by December 31 will be available to help reduce your 2016 tax bill if you itemize. Your tax rate determines how much you save: the higher your rate, the more you save from each dollar donated. If your state also taxes your income, your savings may be even greater.

**Q. What should I know about making gifts at the end of the year as opposed to giving at other times of the year?**

**A.** For gifts of cash or check, your gift should be made online or mailed in an envelope postmarked no later

than December 31. For gifts of securities or other assets, please contact us or your financial advisor for specific instructions in advance of the December 31 deadline. For gifts from your IRA, contact your plan administrator.

**Q. Can my year-end gift also be recognized as a memorial or honor gift?**

**A.** Absolutely. In this season of giving, making your year-end gifts in honor or memory of a loved one is a perfect way to support Youth Villages and meaningfully recognize someone special. These gifts can be made with cash or appreciated assets and offer the tax benefits associated with those types of gifts.

**Q. I generally review my estate plans at the end of the year. Can these plans include charitable gifts?**

**A.** Yes. As part of your review of your will or living trust, for example, you may want to include a gift to Youth Villages of a specific amount, a percentage or “what’s left” after providing for family and other loved ones.



Neglected as she moved from one relative’s home to the next, Kristin, 12, entered state custody when she was only 2 years old. Kristin spent a year in Youth Villages’ intensive residential treatment to address challenging behaviors. With consistent and attentive parenting from adoptive parents Melissa and John, Kristin’s defiance disappeared. She is enrolled in horseback riding lessons and wants to become a veterinarian. Thanks to everyone’s efforts, Kristin found her forever family.

## Bequest Language

**I**f you are considering a bequest to Youth Villages, here is some suggested wording to take to your attorney:

“After fulfilling all other specific provisions, I give, devise and bequeath \_\_\_\_% of the remainder [or \$\_\_\_] of my estate to Youth Villages, a charitable corporation [Tax ID #58-1716970] currently having offices at 3320 Brother Blvd., Memphis, Tennessee.”

# Taking Stock and Giving It at Year-End

**B**y making a year-end gift with securities or other property that has increased in value instead of using cash, you can give at a much lower cost. Giving securities may be a good way for you to make a gift while enjoying the maximum tax benefits. Here's why you should consider a gift of appreciated securities:

## 1. You want to make a year-end gift to Youth Villages and bypass capital gains tax.

Suppose you originally purchased stock for \$2,500 and it is now worth \$25,000. Should you decide to sell the stock in order to make a gift, you will owe capital gains tax on the \$22,500 increase in the stock's value. However, by giving the securities directly to Youth Villages, you will pay no capital gains tax.

## 2. You want to make a year-end gift to Youth Villages and reduce future taxes.

You can give stock and, in effect, "keep" it. For example, if you were planning to make a gift of \$10,000, consider giving \$10,000 worth of appreciated securities instead and using the cash you would have given to repurchase the same securities. By doing this, you will receive greater tax benefits than if you gave the cash outright and you will have effectively replaced your stock—but with a higher cost basis. This can be very beneficial if you decide to sell the stock in the future because you will owe less capital gains tax than if you were selling the original stock that you purchased at a lower cost basis.

## 3. You want to make a year-end gift to Youth Villages and reduce taxes now.

If you are considering selling securities that have greatly increased in value, consider a balanced sale. By selling some of the securities and, at the same time, giving some to Youth Villages, you will benefit from both capital gains and income tax savings on the amount you donate, which helps offset any tax that might be due on the amount you sell.

For more information about creative ways to support the life-changing work of Youth Villages, visit us on the web at: [www.youthvillages.org/plannedgiving](http://www.youthvillages.org/plannedgiving).



Joseph and Sandy, along with their children Katie, Ally and Blake added to their family with the adoption of Garrison, Meghan and Nathan in October 2014.

## A Tax-Wise Way to Make Your Gifts

**I**f you are aged 70½ or older, you can give directly to Youth Villages from a traditional or Roth IRA completely free of federal income tax (up to \$100,000 per person per year). Giving directly from your IRA won't increase your adjusted gross income and possibly subject your Social Security income to a higher level of taxation. Additionally, your charitable IRA gift can count towards your required minimum distribution.

# A Safe Haven and a Support System

Emily, 18, drove home from class and pulled into her foster mother's driveway. She stepped out of her new car with a quiet confidence.

"This is where Leslie and I live," Emily said. "She's my foster mom and my best friend. Living here has been really good for me."

Not long ago, Emily had severe anxiety and depression. She grew up with an abusive father, and her mother had bipolar disorder.

"Our home was like a war zone," Emily said. "I felt lost. Mom refused to accept the truth about the abuse. She didn't take her medication, and her moods were all over the place."

When she moved in with Leslie, Emily's anxiety was crippling. She had flashbacks and emotional breakdowns. She stopped going to school and was scared to leave the house. Leslie and Emily sought information about Youth Villages' YVLifeSet program.

"After she warmed up to Leslie, Emily felt at home for the first time," said April Tussing, Youth Villages YVLifeSet specialist. "She finally has a safe haven and a support system."

April meets with Emily on a regular basis, helping her prepare for a bright future.

"Emily was taking more than 10 medications when I met her," April said. "Together, we regulated her medicine and discovered alternate ways for her to cope with anxiety."

Emily uses essential oils to calm her nerves and sees a therapist to work through past trauma. She decreased her medications and is learning to talk through her emotions.



Emily

"April keeps me grounded," Emily said. "When I feel like I'm stumbling, she reminds me of my goals and passions. I know I have a bright future, but sometimes I need reminding."

Working on such practical life skills as budgeting and time management, Emily sees that her dreams are within reach. She is in her first semester of college, pursuing forensic anthropology. She has a bank account and reached her goal of buying her own car.

"Any resources we offer, Emily takes advantage," April said. "I am so proud of how far she has come."

Emily has all A's and B's in school and volunteers at an animal shelter. She hopes to become a YV Scholar.

"April and Leslie have helped me enjoy life again," Emily said. "I'm hopeful for my future."



## Youth VILLAGES®

The force for families

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Youth Villages is a holder of the BBB Wise Giving Alliance National Charity Seal.



Youth Villages is a Silver-Level Guidestar Exchange participant, demonstrating its commitment to transparency.