

# Crimson & Gold



## Gift Planning Ideas for Bridgewater College Alumni and Friends

### Partners in Giving

A partnership can be defined as “an arrangement in which people share something with each other.” For Wil ’63 and Joyce Nolen, their 52-year marriage is a true partnership in which they share many things—a love of music, singing, golf, running, and traveling, just to name a few.

Most notably they share a desire to support the educational institutions that impacted their lives. For Joyce that’s Manchester University and for Wil, Bridgewater College.

Wil grew up in Bassett, Virginia, as one of four children. His father was a factory worker and his mother a homemaker, both with very little formal education. There was no question—in spite of their limited means—that Wil and his sisters would have the opportunity to attend college.

“The Church of the Brethren had a significant impact on my family growing up and ultimately influenced my choice of colleges,” shared Wil. “Bridgewater and Manchester are two of the six remaining colleges associated with the Church of the Brethren. I believe it is important to continue to preserve that heritage.”

Wil, who retired in 2008, spent his 43-year career in program administration for the Church of the Brethren at its home office in Elgin, Illinois. For many years he served on the Brethren General Board staff and later became founding president of the Church of the Brethren Benefit Trust.



*Joyce and Wil Nolen*

Joyce went into the “family business” (her mother, her two older brothers, and many relatives were all teachers) and ultimately earned her doctorate in education. She spent the majority of her career at Harper College, where she “never lost her love of working with students.” Upon her retirement in 1999, Joyce was named Professor Emerita.

Though their careers followed different paths, both Wil and Joyce received their undergraduate degrees in music. “Music and the arts have played a significant role in our lives,” Joyce said. “I began playing piano when I was five and have never quit.” “My father was our church’s hymn leader, and we would play piano and sing with him,” added Wil.

Wil and Joyce also share a belief in the importance of a liberal arts education, which they received at Bridgewater and Manchester. “I always counseled my students that being well-rounded would serve them well in their life and career,” Joyce said. “A liberal arts education allows you to grow outside the narrow confines of your degree,” Wil said. “While at Bridgewater, I was a music major, and I ran track and cross country. The music faculty supported my running, once arranging for me to borrow a car to return early from a track meet for a chorale concert I was performing in.”

This feeling of community and caring is something both Wil and Joyce experienced, and has ignited in them a desire to help others pursuing degrees in music education

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## Highlights of the New Tax Law

- The amount of charitable gifts you are allowed to deduct was expanded from 50% to 60% of your adjusted gross income (AGI). Any excess deduction may be carried forward to provide savings for up to another five years, allowing you to see tax savings in as many as six years for a single gift.
- The standard deduction was doubled and will result in decreased taxes for many Americans, leaving more income from which to make charitable gifts.
- For higher-income taxpayers, a requirement that they partially reduce their itemized deductions in the past was repealed.
- Fewer people will be subject to the federal estate tax than ever before.



## Will the New Tax Law Change the Way You Give?

Recent tax law changes have left many with questions such as: How will the new law impact making my charitable gifts? What are now some of the most effective ways to make my gifts to Bridgewater this year and in the future?

The answers to these questions will depend on your individual circumstances, so it is always wise to discuss any giving ideas with your accountant or other advisors. Generally speaking, there are a number of positives in the law where charitable gifts are concerned.

For instance, the charitable income tax deduction was preserved, and the allowable deduction—the amount a person is allowed to give—was expanded for some. Additionally, the tax advantages of giving from retirement plans and giving certain types of assets remain the same.

If you are age 70½ or older, you can make tax-free gifts directly to Bridgewater College from your Individual

Retirement Account (IRA). This is a tax-effective way to make charitable gifts—in any amount totaling up to \$100,000 per person per year—whether or not you deduct your gifts on your tax return. You can even count these gifts toward any amount you are required to withdraw each year.

Making gifts of stocks or mutual funds that have increased in value may be particularly attractive. When you give this way your tax deduction is based on the current value of the stocks, not just the amount you paid for them. As an added benefit, no capital gains tax will be owed on the increased value. This also allows you to conserve your cash for other uses.

It's always best to discuss your circumstances with your advisors before making charitable gifts. If we can provide more information, in confidence and with no obligation, please contact a member of our planned giving team.



# Making Tax-Free IRA Gifts to Bridgewater College

Our nation's tax laws encourage charitable giving in a variety of ways. For example, charitable gifts may be deducted from income that would otherwise be taxable under federal tax law and the tax laws of many states.

In some cases, though, taxpayers encounter limits on the amount of their charitable gifts they can deduct. Notably, retirees may find that increases in their standard deduction prevents them from itemizing charitable gifts.

Fortunately, special provisions exist to help people 70½ and older overcome various limitations on tax benefits by allowing tax-free charitable gifts made directly from their IRA. Making gifts this way can be a wise choice for many.

## A case study

Mary and Ted, ages 71 and 72, are semi-retired and enjoy income from a number of sources, including amounts they are required to withdraw from their IRAs. These withdrawals must be reported as taxable income, causing additional taxes to be due, even if they make charitable gifts using these funds. This is because Mary and Ted do not normally itemize their tax deductions.

The couple decides to make charitable gifts directly from their IRAs. The amount of these gifts will not be reported as taxable income and therefore, will result in tax savings.

These savings would not be possible if Mary and Ted withdrew the funds and were not able to take a charitable



deduction. The amount given in this way can count towards their annual mandatory required distribution, will completely escape taxes, and is reported as a “qualified charitable distribution” on their income tax return.

For more information about making an IRA gift to Bridgewater, return the enclosed card, contact a member of our planned giving team, or visit [bridgewater.givingplan.net](http://bridgewater.givingplan.net).

## Partners in Giving *continued from Page 1*

at Bridgewater and Manchester. While they originally intended to establish gifts through their estate plans, Wil and Joyce took advantage of the IRA giving opportunity available to those 70½ and older and made gifts to endowed funds during their lifetime (see more about this way of giving above).

“Making gifts from our IRAs has enabled us to fund our endowments now when we can experience the benefit,” said Wil. At Bridgewater, they established the **Rev. Wilfred E. and Dr. Joyce A. Nolen Fund for Music Endowment**.

“As a Bridgewater Trustee, I know there are things tuition just doesn't cover, so these endowments are critical,”

Wil said. “I wouldn't have had the opportunity to go to Bridgewater if others hadn't given before me.”

“I remember those who helped me along the way,” shared Joyce. “With no children of our own, we have the freedom and opportunity to help others.”

“Joyce and I want our legacy to be demonstrated by our support of institutions that had profoundly and meaningfully influenced our lives,” Wil added. “Our hope is that Bridgewater remains committed to its foundation in the liberal arts while becoming a growing center of diversity in every component.”

# Four Popular Ways to Leave a Legacy to Bridgewater College

**A**fter taking care of loved ones, there are a number of ways to include Bridgewater in your estate and financial plans. Here are the most popular:

- 1. A gift in your will or living trust.** You may include a gift of a specific dollar amount, a percentage of what is left after other distributions have been made or a particular asset. You may be able to add a charitable gift to an existing will through a simple amendment. See the box at right for sample bequest language.
- 2. Naming Bridgewater as a beneficiary of your retirement plan.** When you leave the balance of an IRA or 401(k) to your heirs, they must carefully manage the account to avoid losing its tax-deferred status and potentially triggering large income taxes and possible penalties. You can simplify matters for your loved ones by directing all or a portion of what remains in your retirement account to the College and leaving other more tax-favored assets to your heirs.
- 3. Turning unneeded life insurance into a gift.** You can make Bridgewater the beneficiary of a life insurance policy without changing your will. If your financial and family circumstances have changed over the years, you may have life insurance policies that are no longer needed for their original purpose, such as the payment of estate taxes that may no longer be due.
- 4. Making a gift while you arrange an income for life.** A Bridgewater College gift annuity is one of a number of ways to give that can provide an income to you and/or a loved one while eventually funding a charitable gift. In addition to immediate tax benefits, you or someone you choose will receive fixed payments for life. This can be a way to provide for retirement income or support parents. For more information visit [bridgewater.givingplan.net](http://bridgewater.givingplan.net).



## Considering a Bequest?

With a gift to Bridgewater College through your will or trust, you can provide for the College's future. Here is some sample language to share with your attorney:

*"I give, devise, and bequeath to Bridgewater College, a qualified 501(c)(3) charitable organization located at 402 East College Street, Bridgewater, VA 22812, the sum of \$\_\_\_\_\_ [or \_\_\_% of my adjusted gross estate; or all the rest, residue and remainder of my estate] to be used for the benefit of Bridgewater College."*



## Your Planned Giving Team

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**BRIDGEWATER  
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