

Including the Discovery Eye Foundation in my Estate Plan

Q. How do I include the Discovery Eye Foundation (DEF) in my will or living trust?

A. The most common way people remember DEF in a will or living trust is through a charitable bequest. You do not have to rewrite your current documents. You simply add an amendment, called a codicil, to your will or living trust. Your bequest is entirely under your control during life and becomes irrevocable only upon your death.

Q. What's the big advantage in making DEF a beneficiary of my retirement plan?

A. A designation in your IRA or other retirement plan may be a very cost-effective way of making a gift to DEF. If you leave your retirement plan to your children, they will have to pay income tax on either a lump sum distribution or the income stream from the plan. DEF does not pay this tax. Here's an example of what this can mean to your heirs:

A widower died a few years ago. He left his \$300,000 house to charity and his \$300,000 retirement plan to his relatives. He should have done just the opposite.

The relatives had to pay income tax on the \$300,000 in the retirement plan, an \$80,000 cost to them. If they had received the home, and the charity had received the retirement plan payment, no one would have paid income tax.

For more information on the advantages of retirement gifts to DEF, consult with your attorney or estate planner.

Q. What kind of donors should consider a charitable remainder trust?

A. Donors who want income for life, bypass of capital gains tax on stock or real estate, reduced taxes, and the satisfaction of supporting the cutting-edge research DEF funds.

First, a few words about charitable trusts generally. Anything you place in a charitable trust--cash, stock, real estate--is invested by the trustee to pay you income for the rest of your life and, if you wish, pay your heirs for life or for a term of years. After the death of all income beneficiaries, what remains in the trust would pass to DEF. Your trust may provide you with some important tax benefits:

- 1) An immediate income tax deduction for a percentage of your gift.
- 2) No tax on the sale of appreciated property.
- 3) The trust principal is not subject to estate tax.

Q. What should I do if I have already remembered DEF in my estate plan?

A. We would be honored to enroll you in DEF's Legacy Circle, so please let us know of your bequest by contacting Susan Lee DeRemer, VP of Development, DEF, 310-623-4499 or sderemer@discoveryeye.org.

Q. Why make a bequest to DEF?

A. Your bequest will:

- Continue cutting-edge research for the treatments and cures of retinal and corneal eye disease.
- Provide education to people affected with retinal and corneal eye disease, specifically macular degeneration and keratoconus.
- Supply crucial support for people diagnosed with macular degeneration and keratoconus.
- Offer information and assistance for caregivers to understand and provide the assistance needed by people with low and no vision.