

Legacy of HOPE

Estate planning tips for friends of the PKD Foundation



Bill Bombeck's Legacy of Hope

by Matt Bombeck

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In 1989, my mom Erma Bombeck began to develop symptoms related to PKD: back pain, fatigue and high blood pressure. She was told she would soon be facing dialysis. Privately, she handled her illness with strength and optimism, relying on support from her husband Bill. She would often brush aside concerns about her illness, mostly with humor, believing that her purpose was to continue to write and make people laugh. One of her favorite quotes was from George Burns, "I can't die, I'm booked." But largely, she remained quiet about her struggle; PKD was not funny, and she never wanted to be the face of a disease.

She continued to write her column and books while on dialysis and went on the waiting list for a kidney. She tried to maintain her schedule, hopeful that a donor would soon come along. Finally, in April 1996, a donor organ did become available. She was excited to get her life back. But sadly, there were complications from the surgery, unusual even twenty years ago, and she passed away.

After her passing, my dad heard from thousands of fans and friends, many wanting to know more about the disease that took her life. My dad was so moved and grateful for the outpouring of support. He also became aware of the need for kidney education and donor awareness. Most did not know that she was even ill.

Throughout his life, my dad had always been involved in volunteerism and philanthropy. He was an educator at heart, and now understood the importance of kidney education and donor awareness. Although my mom was "private" about her illness, he believed that others could benefit from sharing her story about her own struggles with the disease. There was work to do.



Erma and Bill Bombeck
(top) and Bill (bottom)

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Polycystic Kidney Disease

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Tips for Giving at Year-End

The final months of the year can be a good time to review financial and personal goals, including your charitable priorities. A variety of factors may be involved in your decisions about charitable giving. They can include the needs of loved ones, personal financial obligations, economic conditions and a desire to share with organizations you care about, such as the PKD Foundation.

With careful gift planning, you may be able to make special gifts this year-end while also reducing your taxes owed for this year.

Extra incentives for securities gifts

Making gifts using stocks, bonds or other securities that have risen in value since you have owned them can make good sense from both philanthropic and financial planning standpoints. If you have owned such property for more than one year, you are entitled to an income tax deduction (if you itemize) based on the current value of the property, not just the lower price you paid for it.

Tax deductions you are entitled to as a result of gifts of appreciated securities can serve to eliminate tax on up to 30% of your adjusted gross income (the deductible limit for cash is 60% of your AGI). Any unused deductions can be used to lower taxes in up to five additional tax years.

When you make gifts of appreciated securities, you also bypass capital gains tax that would be due if you had sold the assets, adding to the tax savings you enjoy from making your gifts in this manner.

Year-End Planning Checklist

- ▶ Complete all gifts by December 31 to qualify for tax savings on your 2018 income tax return.
- ▶ Keep all receipts and acknowledgment letters, especially for gifts of \$250 or more.
- ▶ Consider using securities to make gifts. Such gifts can yield greater tax benefits. (See article to the left.)
- ▶ Those age 70½ or over should check with advisors about the ability to make tax-free charitable gifts directly from a qualifying IRA. (See Page 3 for more details.)



Legacy of Hope

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In his own family, PKD did not end with his wife's passing. Both his sons were diagnosed with the disease. Seven years later my brother Andy underwent a successful kidney transplant with his donor Shari, Andy's wife. And six years from that, thanks to my friend Roger Baumann, I too had a successful kidney transplant, a testament to the great strides in treating end-stage renal disease, and the incredible generosity of donors. But it was not a cure for PKD, a disease that affects some 12.4 million people worldwide and 600,000 Americans.

When my dad passed away this year in January, part of his legacy was making a gift to the PKD Foundation to raise awareness about PKD and, most importantly, to find a cure that we know affects *generations* of families. He was aware of the great work that the Foundation was doing on behalf of patients: finding new treatments, funding much-needed research and perhaps most importantly, reminding patients and families that they are not alone in this struggle. Please join my dad and our family in support of the PKD Foundation.



Giving to the PKD Foundation from Your IRA

For those age 70½ or older there is a special provision that allows you to make charitable gifts (called Qualified Charitable Distributions) directly from Individual Retirement Accounts (IRAs). Those with IRAs can make gifts to the PKD Foundation using funds that might otherwise be taxed when withdrawn (up to a total of \$100,000 per individual per year; \$200,000 per couple with separate IRAs).

By giving directly from your IRA, you won't increase your adjusted gross income and possibly subject your Social Security or other income to higher levels of taxation. Another advantage: you offset your Required Minimum Distribution (RMD) and avoid taxes on the withdrawal.

Consider this example: Janet and George, ages 72 and 78, are 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, triggering additional taxes, even if they make charitable gifts using these funds. (Janet and George won't itemize their tax deductions this year due to the recent tax law changes.)

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 Janet and George withdrew the funds and were not able to take a charitable deduction. The amount given in this way will still qualify as all or part of their RMD, and they are able to support the PKD Foundation.

Ask your IRA custodian for a form to arrange for a Qualified Charitable Distribution. For more information, return the enclosed card or contact Robin Strachan, director of planned giving, at 816-268-8486 or robins@pkdcure.org.

Are Your Plans Keeping Up with You?

For many people, the end of the year is a good time to review their estate plans. Keeping your will and estate plans up to date can be as important as preparing them in the first place. Many events can prompt a review of your plans, such as:

If you move to another state. Every state has its own rules regarding the settling of estates. If your plans were drafted under the laws of another state, now is the perfect time to revisit your plans and make sure they take advantage of all benefits under the laws of the state where you now reside.

If someone can't serve. What if the person you named to settle your estate is no longer able to serve? It is important to name an alternate executor.

If financial circumstances change. If your assets have increased or decreased in value since you last updated your plans, or if you have acquired new property that was not included in your original will or living trust, you may need to revisit your plans.

If your family changes. Those who have experienced a change in their marital status usually need to make revisions. The birth of a child or grandchild can be another reason for a review.

If tax laws change. Tax laws change from time to time, as they did at the end of last year with the *Tax Cuts and Jobs Act of 2017*. You may want to check with your advisors to learn how current laws may affect your plans.

We are always happy to help in any way we can. Please return the enclosed card with your inquiry, contact Robin Strachan, director of planned giving, at 816-268-8486 or robins@pkdcure.org.

Sample Bequest Language

"I [name], of [city, state, ZIP], give, devise and bequeath to the PKD Foundation, 1001 E. 101st Terrace, Suite 220, Kansas City, MO 64131, Federal Tax Identification Number #43-1266906, [written amount or percentage of the estate or description of property] for its unrestricted use and purpose. I instruct that all of my charitable gifts shall be made, to the extent possible, from property that constitutes 'income in respect to a decedent' as that term is defined in the Internal Revenue Code."



More information



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