



# secure

Issue 1 | Fall 2014

*Investing in the Future*

IN THIS ISSUE: REMAINDER TRUSTS GIFTS OF STOCK TAX SAVING TIPS

[www.thearclegacy.org](http://www.thearclegacy.org)

*Secure: Investing in the Future* is a new publication that is intended to address two separate, but very important issues. First, security is important to all of us in a variety of different ways. For example, as Americans we strive for financial security for ourselves and our families. The thought of a weak financial future can (and does) lead many Americans to work more years than anticipated and can cause stress within any household. For seniors, it is not uncommon for people to worry about outliving their retirement savings. For families that have a son, daughter or other family member with an intellectual or developmental disability (I/DD), there are concerns about securing their own future as well as that of their loved one.

On the other hand, as a leader in the area of civil rights for Americans with disabilities, The Arc must also secure its financial future to assure that it will continue to be a voice for future generations. With a fluctuating economy and regular budget battles on Capitol Hill, The Arc must seek out new ways to fund the advocacy and important national initiatives that are needed by over 7 million families in the United States, such as serving people with autism spectrum disorders (ASDs) and helping improve employment opportunities for people with I/DD.

## IT'S NEVER TOO LATE TO SAVE



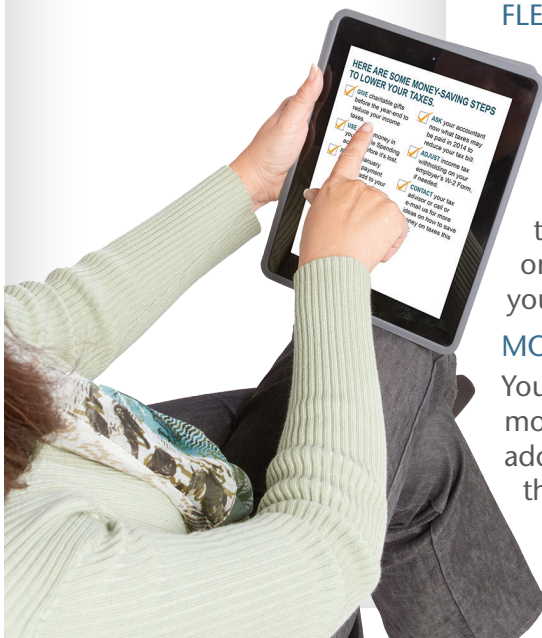
*Secure: Investing in the Future* seeks to address the financial concerns of the family, while looking at ways for our donors to ensure the future of The Arc. This publication seeks to bridge these two areas of concern by identifying ways for donors to protect themselves, while

finding opportunities to help future generations through gifts of assets. Please take time to read these newsletters to learn more about how you can protect your financial future, while doing something special for The Arc and the people who depend upon us.

# YEAR END TAX SAVINGS CHECKLIST



We've made it easy for you to save money by highlighting some of the easiest steps you can take to lower your taxes. Be sure to check the following to make sure you don't pay more than you should pay. A few minutes of review can save you many hours of disappointment.



AS 2014 COMES TO AN END, SO TOO DOES THE OPPORTUNITY TO REDUCE INCOME TAXES FOR THE YEAR.

## CHARITABLE CONTRIBUTIONS

Give before the end of the year and reduce your income taxes. Review your gifts to date to ensure you have given to the causes important to you and in the amounts you intend. Now is also a good time to make sure you have proper receipts and documentation.

## FLEXIBLE SPENDING ACCOUNTS

If you have contributed to a Flexible Spending Account, make sure you have used all the money in the account. Now might be the time to get that eye exam or other medical procedure you have been delaying.

## MORTGAGE INTEREST

You can pay your January mortgage payment early and add to your mortgage deduction this year. Just check with your accountant on how to do this, especially since the number you report might differ from what your

lender sends on Form 1098.

## STATE AND LOCAL TAXES

Call your accountant now to ask what state and local taxes may be paid in 2014 that will reduce your federal income taxes for the same year. Alternatively, if delaying payment may help you, discover the best strategy.

## INCOME TAX WITHHOLDING

After determining your taxes for 2014, work with your accountant to see if you should adjust the withholding on your employer's W-2 Form.

## STAY UP-TO-DATE

Check our website ([www.thearclegacy.org](http://www.thearclegacy.org)), which will give you additional tips and ideas, especially if Congress passes new laws at the end of the year that will affect your taxes.

If you have questions, contact your tax advisor or call or e-mail us for more ideas on how to save money on taxes.

# REFRESH YOUR STOCKS



**IF YOU NORMALLY GIVE CASH AT THE END OF THE YEAR, TRANSFER STOCK INSTEAD AND GIVE YOURSELF THE ADDED BENEFIT OF CAPITAL GAINS TAX SAVINGS.**

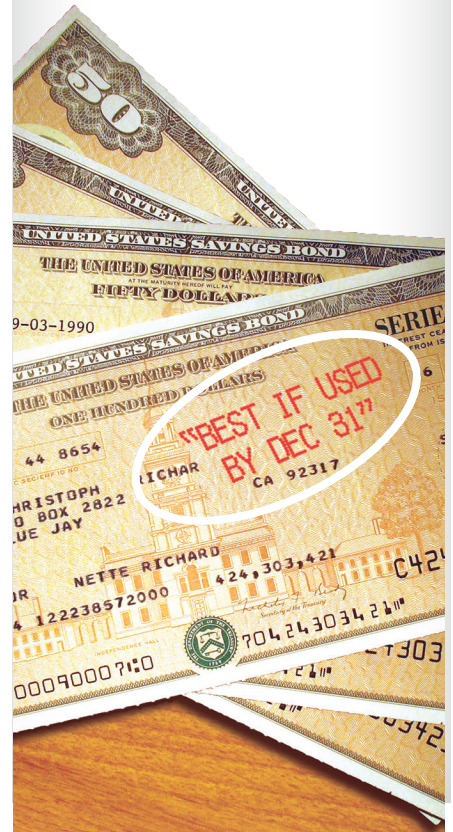
Whether it's milk or frozen food, almost everything we buy in the grocery store is stamped with "best by" or "use by" dates to let us know when it's best to use them. Shouldn't other parts of our lives have reminder dates on them? What about your stocks? How long have they been on your portfolio "shelf"? If your stocks have been hanging around your account's "shelf" for a while, consider transferring them to our organization before the end of the year. You will receive an income tax deduction

that will help lower your 2014 tax bill. You won't pay any capital gains on the transfer, and you will help us end the year with a gift we can use equal to the full value of the stock.

We have simple transfer instructions available on our website that can help you make your stock gift.

Contact The Arc at (202) 617-3263 to learn more about how you can end the year with tax savings and the great feeling that comes when you know you have helped others.

As the year ends, think about the stocks you have held for years, maybe even decades. Could your portfolio use some freshening? While it's true that stocks never go stale, maybe there is a time when they can be put to a better use.



This information is not intended as tax, legal or financial advice. Gift results may vary. Consult your personal financial advisor for information specific to your situation.

*If you want to make a gift of cash or stock today you can do so by going to our website*

[www.TheArc.org/donate](http://www.TheArc.org/donate)

# WISHES ARE NOT JUST FOR FAIRY TALES

*The timeless story of Aladdin and the Genie in the magic lamp tells us about the rewards of exploration and curiosity. While the narrative is a fable, the lessons and their meaning are real. In the tale, young Aladdin finds the Genie's lamp and polishes it. The Genie appears offering the youth three wishes that provide the story's twists and turns.*

Like the fictional Aladdin, there are things we can do where one simple action can return at least three great results or benefits.

One of these actions is creating a charitable remainder trust. Although you may think that a trust is only for the wealthy, that's not true. You may have the necessary assets because of your home and retirement accounts. When you fund a charitable remainder unitrust with cash or one of your assets, you, or you and your spouse can receive

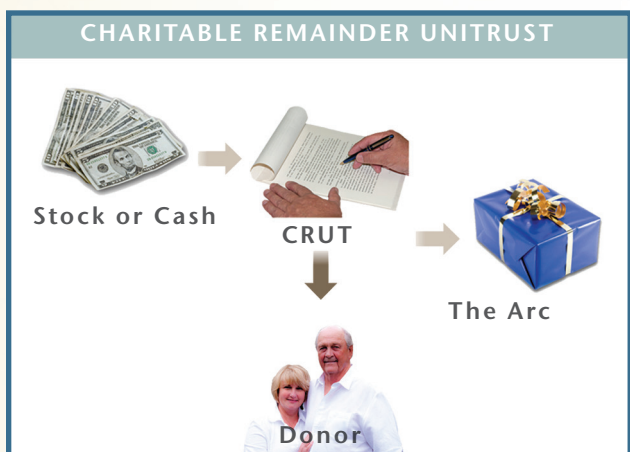
income for life and valuable tax savings this year. Unlike the offer made by Aladdin's Genie, this action has no catch. If you create a unitrust with appreciated stock or real estate, you may also avoid capital gains tax on the sale of your assets.

A unitrust is a tax-exempt trust that will sell your assets tax free, and reinvest them in a way to produce potentially higher income for you. You can select a trust payout that permits growth in the trust assets, and this choice may even grow

your income over time. Because we benefit from what remains after all payments are made, a charitable

remainder unitrust also offers the ultimate reward of helping us continue our work and provide assistance to those we serve.

An often overlooked aspect of the Aladdin story is that countless other travelers passed by the lamp without ever bothering to look inside. Some may even have picked it up and tossed it aside. Don't let the benefits of a charitable remainder trust pass you by. Create one by the end of the year, so your payments can start in the New Year. You will also enjoy tax savings on this year's return. Please call The Arc or visit our website ([www.thearclegacy.org](http://www.thearclegacy.org)) for a full look at the charitable trust benefits that may be available to you.



## HAVE YOU INCLUDED US IN YOUR ESTATE PLAN?

The gifts we receive each year from individual estates help to make our work possible. We hope you will consider including TheArc in your will or estate plan.