

Our Jewish

Legacies

Fall 2007

Tax, Estate and Charitable Planned Giving Opportunities

Professional Advisors and Donors: An Essential Relationship That Benefits Everyone

The Professional Advisors Seminar of the Dallas Jewish Community Foundation, now in its twelfth year, has become one of the most respected events of its kind. Each year, in conjunction with our Professional Advisory Committee, the Foundation brings in nationally ranked speakers who deliver valuable information on cutting-edge issues in charitable planning.

Just as many universities have Advisory Committees to keep their courses current, the Foundation staff is supported by the expertise and experience of a dedicated group of financial, legal, tax and insurance professionals: the Professional Advisory Committee. The Foundation, which now manages more than \$150 million in assets, benefits from their



Our 2006 featured speaker Ed Beckwith (in cowboy hat) and the Professional Advisory Committee

talents, as do our clients.

When asked how donors and clients benefit from the alliance between Professional Advisors and the Foundation, David Schoenbaum, an attorney and client-wealth advisor, comments, "On a basic level, the Dallas Jewish Community Foundation offers a high level of real world charitable-giving experience, which is invaluable in establishing charitable plans that best meet a client's needs. While all of the Advisors have their own

skill sets and ranges of experiences, I doubt any one Advisor has the volume and the range of the Foundation."

Ira Silverman, an attorney and CPA, Chairman of the Professional Advisory Committee, comments, "The Seminar has been a great opportunity to get our name in front of the leading estate planning professionals in Dallas. It gives us a profile on the same plane as that of the Communities Foundation of Texas and the Dallas Foundation."

Committee member Ken Rabinowitz, a private Financial Advisor, says, "I have been on the Professional Advisory Committee for the last five years. It allows me to associate with an experienced, professional and charitably minded group

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LEAVE A LEGACY[®]

Make a Difference in the Lives that Follow

Studies, Surveys and Not So Surprising Findings

Confirming scientifically what many donors have known for years, a team of economists and psychologists from the University of Oregon determined that the parts of the brain associated with pleasure are activated by donating money to charity. In other words, philanthropy just feels good. The findings were reported recently in the journal *Science*.

Another study, this one done by U.S. Trust, revealed that philanthropy was a high priority for wealthy individuals. The 2007 Survey of Affluent Americans focused on individuals with more than \$5 million in investable assets and found that 88% said they give because they want to give something back to society, while 72% said they want to make a difference in the world. Tax considerations were cited by only 33% as a reason for giving.

Both of these findings support what many of our friends tell us about giving to support our programs – even those with considerably less than \$5 million in investable assets. We are often told, “I just want to give back to the Jewish community for what I have received,” or simply, “I enjoy giving to Jewish causes.”

Tax savings available from the gifts are generally just an added bonus for doing what “feels good.”

Another ongoing survey by the National Committee on Planned Giving (NCPG) is tracking gifts to charity from donors’ IRAs. Under the Pension Protection Act of 2006, donors age 70½ and older may direct the trustee or custodian of an IRA to make gifts of up to \$100,000 to charity. Although no income tax charitable deduction is available, a transfer from an IRA to charity counts toward satisfying the donor’s required minimum distribution, thereby avoiding the tax that would normally be due on any distribution to the donor. The ability to make these qualified charitable distributions is set to expire at the end of 2007. According to NCPG, charities responding to its survey reported 4,467 distributions, with a total value of more than \$80 million at last report. This includes gifts made in 2006 and 2007. The Dallas Jewish Community has received a number of gifts from IRAs, and we hope more donors will take advantage of this opportunity. To learn how you can make a gift through your IRA, please feel free to call our office.

Visit us online! WWW.DJCF.ORG

Our website has several electronic brochures that may be of interest to you.

In addition, we have a variety of print publications with helpful tips on charitable giving. Contact us for more information.

info@djcf.org

Planning Your Investments

Like other investors, you probably are spending more and more time managing your investments. This is understandable.

With each major change in the economy, new uncertainties arise as to what is the best investment opportunity. Should you shift your investments to tax-exempt bonds? Real estate? Precious metals? Or possibly high-grade common stocks? The best strategy depends not only on the vagaries of the marketplace, but on your personal circumstances as well.

For example, if you're a high-income investor, you may want to consider shifting your investments to state and municipal bonds. The interest on these bonds is completely free of the federal income tax. So even though the interest may be lower than the return from other types of investments, the after-tax yield may be as high or higher.

Taxes, of course, are an important consideration in an investment program. Dividends and long-term capital gains on assets held more than 12 months are taxed at 15% (5% for 10% and 15% tax bracket taxpayers). You should plan your "profit taking" carefully. If you do incur a large capital gain, you can offset the gain (at least partially) by establishing capital losses.

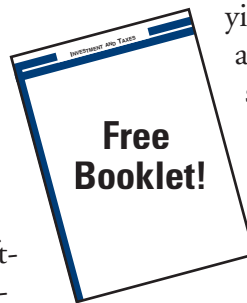
In planning your investments, don't overlook the possibility of making a gift to the Dallas

Jewish Community that is tied into your investment and tax planning programs.

Consider creating a trust for the benefit of Jewish Dallas, reserving a right to receive a life annuity equal to 5% or more of your gift's value. Such a trust can produce splendid financial rewards, particularly if you now own low-yield securities that have substantially appreciated in value. It may even be possible to provide a tax-free income. In any event, you can deduct a large part of what you transfer to the trust.

Consider transferring appreciated property to the Dallas Jewish Community Foundation. Though you can deduct the full fair market value of the property, your paper profit is not taxed. If you have already sold some appreciated property, consider the offsetting benefit of the deduction allowed from either an outright gift or a gift in trust.

We can offer you the opportunity to gain the personal satisfaction of helping achieve the goals and aspirations of Jewish Dallas. And we can help you plan a gift that is both economical and satisfying . . . a gift that fits in with your investment and estate planning objectives. For more information on today's investment and tax planning opportunities, return the enclosed card and we'll send you our new booklet – *Investments and Taxes*.



As always, we encourage you to consult with your Professional Advisor before proceeding on a course of action. Our Foundation professionals would also be glad to discuss any questions you may have about opportunities to create your personal legacy.

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Professional Advisory Committee . . . *(continued from page 1)*

of individuals. I enjoy both the social aspects and the professional sharing aspects from being involved.”

Clients of the Foundation can benefit from getting professional advice when needed. Morton Meyerson created the Morton H. Meyerson Family Tzedakah Fund to help people in Texas, New York, Israel and Africa receive the services they need to live with dignity, to support medical research primarily concerned with depression and bipolar disorder, and to help humanities programs and the arts. He states, “Using Professional Advisors helps us to be more efficient and allows us to concentrate on our mission.”

Pat Zilbermann is concise and to the point when asked how Professional Advisors have helped her. “They’re invaluable,” she says. Pat is a Fundholder at the Dallas Jewish Community Foundation and a volunteer for Temple Emanu-El. A Life



Morton H. Meyerson

Trustee of the Foundation, Gerardo Weinstein has been active in our community for many years on several charitable fronts, along with his wife, Helga. They secured advice from their attorney to plan their estate for maximum

“Using Professional Advisors helps us to be more efficient and allows us to concentrate on our mission.”

– Morton H. Meyerson



Gerardo Weinstein

tax advantage and to fulfill their desire to help their family and the charities of their choice.

Leaders in our community and long-standing friends of the Foundation, Janet and Jack Baum state,

“Our family has been fortunate enough to grow our financial

wherewithal. This has allowed us to set up a Philanthropic Fund and attempt to help those less fortunate than we are. We try to help those in Dallas, Israel and throughout the world. Experienced Professional Advisors and professionals from the Dallas Jewish Community Foundation have helped us achieve these goals.”

The Planned Giving Professionals at the Dallas Jewish Community Foundation look forward to working with our clients, and with Professional Advisors, to assist donors and clients in achieving their charitable goals.



Pat Zilbermann

Please visit our website at WWW.DJCF.ORG for the latest updates on charitable planning issues, and as always, we encourage you to consult your Professional Advisor. Our staff is ready to help you achieve your charitable goals!

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