

LEGACY GIVING

GIFT PLANNING NEWSLETTER | FALL 2019

BENNINGTON
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REBECCA MITCHELL '70

"The act of estate planning itself prompts thoughts about what has been important in your life," observes Rebecca Mitchell '70, who has included Bennington in her will. "We hear (fortunately) about large gifts received by the College today; however, you don't have to be a zillionaire to leave money to Bennington.

The Silo Society is an opportunity for all those of us who are willing to invest in the future of Bennington. It is a pleasure for me to be a part of that group. I feel that I am providing for the future of many endeavors I value—the arts, the investigation into the humanities and sciences, and the creation of alert and questioning citizens among them."

A student of history and philosophy, but also with a strong interest in dance, Rebecca was drawn to Bennington because it was a school that offered a vigorous academic life as well as respect for the arts. She fondly

recalls "the bracing tartness, discipline, and high standards" of Jane Dudley and Viola Farber, former dance faculty members.

"Bennington presented itself differently," says Rebecca. "Here was a place where integrity and craftsmanship in all those areas really mattered."

She also remembers the pleasure of dancing in former faculty member Martha Wittman's compositions and the generosity with which Anne Schlabach Burkhardt, former philosophy faculty member, and Rush Welter, former social sciences faculty member and dean of studies, each addressed



Rebecca Mitchell '70 and her husband Ben

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her education: “I am very grateful to the many teachers who made my education possible.”

Rebecca has been very active in higher education since graduating from Bennington. She has been a reference librarian at Vassar College and the University of Wisconsin, and has taught students how to conduct research. She is also deeply involved in historic preservation and town planning in her local community. Through

it all, she remains a committed supporter of Bennington College.

“I don’t come from a family of great means,” says Rebecca. “But I come from a family where my parents cared about supporting things that mattered to them. So, by supporting Bennington, I am partly expressing my gratitude to my parents and to Bennington for having such an impact on my life.”

THE POWER OF APPRECIATION

Consider this. It is often desirable to make a donation not using cash. If you are like so many others, your monetary resources may be tied up in non-cash assets. Financially speaking from a tax standpoint, it may be better to give something other than cash.

When you make charitable gifts to Bennington College with appreciated assets (assets you have held for over one year and that have grown in value), such as stocks, bonds or mutual funds, you receive a double tax benefit. A charitable deduction is allowed for the current fair market value and the capital gain is not taxed; in essence receive a tax break for appreciation on which you never paid taxes. By using appreciated assets, the gift actually costs you less!

Another tax-wise alternative is to use your appreciated property to fund life income gifts such as gift annuities or charitable remainder trusts and you will receive income for life.

The chart illustrates the tax benefits when using appreciated assets:

Cash Gift vs. Stock Gift

	Cash Gift	Stock Gift
Gift Value	\$10,000	\$10,000
Income tax deduction	\$10,000	\$10,000
Income tax saved (@ 37% rate)	\$3,700	\$3,700
Stock purchase price	-	\$1,000
Increase in value	-	\$9,000
Tax avoided on gain (@ 20% rate)	-	\$1,800
Total tax savings	\$3,700	\$5,500

Most gifts of stock can be made easily via electronic transfer. Even if you like your investments, you can give your appreciated shares and use cash to replace them with shares with a higher cost basis.

By using your appreciated securities you can make a tax-wise gift and secure Bennington’s singular brand of education.

THIS YEAR CONSIDER A GIFT TO BENNINGTON COLLEGE

For many people, the end of the year is a time for making gifts – not only to family and friends but also to valued organizations such as Bennington College. December is also your last chance to obtain charitable deductions you can claim next April!

As you plan your year-end giving, contributing cash is just one way to support Bennington. Consider the following tax-smart techniques, helping you design ways to have a lasting impact on Bennington, to empower our students now, and far into the future.

Give appreciated securities

Recent years have generally been good ones for stocks in particular. While many people have seen their investments grow significantly, selling appreciated shares triggers taxation that can exceed 20 percent of the capital gain. By transferring them directly to Bennington, you avoid tax on the gain and receive a tax deduction for the full value of the stock. Thus, the value of your gift to us may far exceed its net cost to you.

Help Bennington—and yourself

You may hesitate to give an asset you depend on for income. Through a “life income gift” such as a charitable gift annuity or a charitable remainder trust, you can donate the asset and still receive payments, perhaps even increasing your cash flow. In return, you’ll obtain a current tax deduction.

Consider a “Charitable Rollover” Gift from Your IRA *(also called a qualified charitable distribution or QCD)*

If you are over age 70½ and have a traditional IRA, you can authorize your administrator to make a direct transfer to Bennington. While you will not receive a tax deduction, any amount transferred (up to a total of \$100,000 per year) will not be added to your taxable income, as it would if you made a withdrawal. The gift amount can even count against your required minimum distribution (RMD), to the extent you have not already taken it for this year.

Start planning now

As always, your own advisors are in the best position to help you determine what would be most appropriate. Whether it’s as simple as adding a line to your will, or it entails a more involved arrangement that may offer substantial tax benefits while guaranteeing you or your loved ones an income stream, let the Office of Gift Planning help you and your financial advisors develop a gift plan that meets your financial and philanthropic goals. Join us as we continue to advance our mission to bring together the most engaging teacher-practioners with the most curious, talented and promising students.

If you have any questions, contact:

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