

Our Jewish

Legacies

Winter 2008

Tax, Estate and Charitable Planned Giving Opportunities

Our Donors Make a Difference

The Dallas Jewish Community remains strong and vibrant through the generous philanthropy of our clients, our Fundholders, and donors like you who are generous to causes throughout our Community. The Community benefits not only from your monetary gifts, but also from your time and talents. As 2008 begins, we share the inspiring stories of several individuals, knowing there are many more.



Peggy Tobolowsky

Peggy Tobolowsky's community activities illustrate her passion and energy for philanthropy. She is currently serving as chairperson of a demographic research initiative for the Jewish Federation of Greater Dallas, is a member of their Board of

Directors, and serves on the Board of the United Way Foundation. She has provided visionary leadership for the Dallas Jewish Community Foundation as our chairperson and vice-chairperson respectively, from 2003 through June 2007, and was recently elected a Life Trustee.

Peggy's energy and enthusiasm in promoting the importance of endowments and bequest awareness is infectious. She advises a Donor Advised Fund at our Foundation, and has made sure her gifts to the Annual Campaign of the Jewish Federation of Greater Dallas will last forever through a Lion of Judah Endowment Fund. "Through my volunteer work with the Dallas Jewish Community Foundation, Federation and United Way, I have seen how the philanthropy of individual donors can benefit our Jewish and general community in myriad ways," comments Peggy. "It has been such a rewarding experience for me."

Active donors to the Federation and Fundholders with our Foundation, Robbie and John Raphael also find the time to give back in other ways. John serves on the Board of Trustees of the Foundation and is a member of the Audit Committee and the Real Estate Committee. He is also active on the Boards



John and Robbie Raphael

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LEAVE A LEGACY[®]

Make a Difference in the Lives that Follow

Are You in This Group? What's Your Excuse?

A ccording to a recent AARP survey, 41% of Americans age 45 and older don't have a will. Actually, everyone has a will: one they execute themselves with the assistance of an attorney, or the estate plan the state applies to those who don't have their own wills. If you're among the 41% with no will, what's your excuse?

"I don't know an attorney."
 — Ask friends or relatives for a reference, or consult the local bar association.

"My spouse and I own everything jointly." — It's true that jointly owned assets immediately pass to the surviving owner, and if the owners are married, the value is covered by the unlimited marital deduction. But what if both spouses die in an accident?

"I don't need a will because I don't own enough to worry about." — Anyone with a home, retirement savings, modest investments and life insurance needs a will. Even if the estate is sheltered from estate taxes (up to \$2 million in 2008), a will allows you, not the state, to direct how assets will be distributed. It also allows you to make a



bequest to the Dallas Jewish Community — something not available with the "state's will."

"Having a will drafted is too expensive." — Although consulting a lawyer does involve some expense, fees are quite reasonable when compared with the cost and confusion of dying without a will.

"I don't care who gets my property after my death." — Most people are interested in

seeing that their spouses are comfortable and secure, that children and grandchildren are remembered and that the organizations and causes they supported during their lifetimes continue to receive needed assistance.

We would be happy to meet with you to explore how a bequest could provide you with the greatest satisfaction and, if your estate will be subject to tax, important estate tax savings. We can even show you how your bequest can benefit both the Dallas Jewish Community and family members. We can also provide the exact language your attorney will need if you choose to include a bequest to the Dallas Jewish Community. As a minimum, you might consider a bequest that will continue your annual gifts, as shown in the chart below.

Your Bequest Can Memorialize Your Annual Contributions*

If Your	\$ 100	You Can	\$ 2,000
Annual	\$ 200	Perpetuate	\$ 4,000
Gifts	\$ 300	Them with	\$ 6,000
Total:	\$ 500	a Bequest of	\$ 10,000
	\$ 1,000	at Least:	\$ 20,000
	\$ 2,000		\$ 40,000
	\$ 5,000		\$ 100,000

* A 5% annual return on your bequest, as represented in these tables, would ensure that you can always continue your thoughtful annual contributions.

Don't Get Stuck with the Gift Tax

Estates up to \$2 million are sheltered in 2008 by the estate tax credit, which is scheduled to increase to \$3.5 million in 2009. While the estate tax credit has been slowly climbing, the gift tax credit is stuck at \$345,800, sheltering taxable transfers up to \$1 million. Even in 2010, when the estate tax is scheduled to be eliminated completely for one year, the gift tax will live on, although at a slightly lower rate (top rate of 35%, compared to the current maximum of 45%). Here are some strategies for minimizing gift taxes:

- Take advantage of the \$12,000 annual gift tax exclusion (\$24,000 for married couples) by making gifts to family members. If you give assets that are likely to appreciate, you'll remove the gift value plus all future growth from your gross estate.

- If you've already given up to the \$12,000 limit to children or grandchildren, consider paying their school tuition or medical expenses. For example, a grandparent

can pay college tuition for a grandchild and owe no gift tax, in addition to making a gift of \$12,000. Payments must be made directly to the school or health care provider.



This is an excellent way to reduce your gross estate while providing help to your ultimate beneficiaries.

- Consider transferring assets to younger family members at reduced gift tax costs through a qualified personal residence trust (QPRT), family limited partnership (FLP) or grantor retained annuity trust (GRAT).

You can continue using the assets during your lifetime.

- Make interest-free demand loans to family members. Although the loan amounts remain in your gross estate, the income earned on the funds while the loans are outstanding will be removed and shifted to lower-tax bracket family members. Be careful of the "kiddie tax," however.

- Accelerate bequests to family members by combining them with future gifts to the Jewish Community. For example, you can create a trust now that pays income for life to a family member and then passes the assets to us.

You'll receive an income tax charitable deduction, the assets will be removed from your gross estate and any gift taxes will be minimized by a gift tax charitable deduction. We'd be happy to talk to you and your advisers about the many options for combining tax-smart gifts to the Dallas Jewish Community with benefits for family members.

Our Donors Make a Difference *(continued from page 1)*

of the Dallas Holocaust Museum, The Legacy Senior Communities, and is the immediate past chairperson of the Dallas Chapter of the Anti-Defamation League.

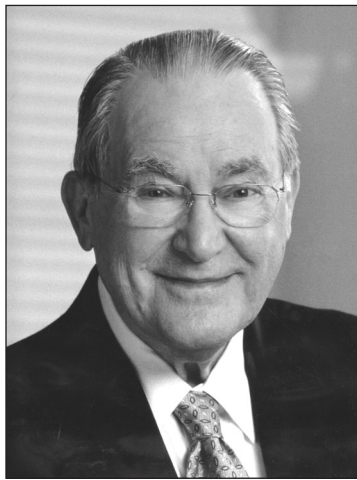
Robbie is the current President of the Board of Trustees of the Dallas Women's Foundation and is active in the Food 4 Kids Program administered by the North Texas Food Bank. She is also on the Advisory Board of the Holocaust Museum.

Dr. Stanley Pearle, a past chairperson of our Foundation and a Life Trustee, has been so very generous with his time, money and willingness to serve as a visible role model for enduring Tzedakah in our Dallas Jewish Community Foundation's marketing activities, it's hard to know where to begin singing his praises. His other volunteer activities have included the United Way of Metropolitan Dallas, where he is an honorary life member and a past chairperson. Dr. Pearle is also a past President of the Jewish Federation of Greater Dallas.

Dr. Pearle has shared his life's story — from his youth as the son of a single mother growing up in Pittsburgh's Herron Hill neighborhood to his Pearle Vision optical empire — in a new

book, *A Man of Vision*, written by Cara Lopez Lee. He says he is about "80 percent retired" at age 88, but, "I still have a great interest in how things are going (at Pearle Vision)." *

We would love to hear your story. What are your charitable passions? Your caring and volunteerism can serve to motivate others. Call Marna Edenson at 214-615-5278 or e-mail us at info@djcf.org — with your permission, we'll publish your stories of Tzedakah on our website.



Dr. Stanley Pearle

Call us — with no obligation — to discuss how a Donor Advised Fund can simplify all your charitable giving; or how you can continue your philanthropy FOREVER with an Endowment Fund or a Bequest.

Did you know we have a wealth of new content on our website? Just visit **DJCF.ORG** and click on "**Planned Giving and More**" on our home page. Features include the latest finance news from Washington,

the ability to personally evaluate planned giving options through easy-to-use calculators, and weekly articles on everything from new ways to help seniors remain independent to the national (digital) switchover coming to all televisions in 2009.

* Courtesy of the Pittsburgh Tribune Review

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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