

Tax Break for Married Couples

Many spouses do not realize that they may incur a significant tax liability upon the death of their partner. If your husband owns a tax-deferred asset (e.g., IRA, 401k, tax-sheltered annuity), consider a “rollover” to a similar financial instrument owned by you. Doing so may eliminate any income tax liability that is commonly realized through a beneficiary payout to the surviving spouse.



Giving Something Back

Increasingly, women are telling estate planning advisers, “I’ve worked hard. I’ve been successful. God has been good to me. Now, I want to give something back to my Lord. I want to do something good for His Kingdom.”

For the charitable organizations you care about—ministries, schools, health institutions, social service agencies, cultural organizations—support them during your lifetime and also through your estate plan.



Gifts of a portion of your blessings to a ministry close to your heart creates personal satisfaction because a part of your estate will be used to benefit the Church. Also, every dollar you bequeath to a worthwhile organization is tax-deductible.

LCEF in Your Estate Plan

Gifts to LCEF help others indefinitely through low-cost loans and services to congregations, schools and organizations of The Lutheran Church—Missouri Synod. We hope you will consider including LCEF in your will or other estate plans, and we would be pleased to hear from you.



Contact LCEF with your gift planning questions:

1-800-843-5233

www.lcef.org

Information in this brochure is of a general nature and reflects our understanding of current federal tax laws as they apply to charitable gifts. These laws are subject to different interpretations and subject to change. The information provided is not intended to be legal, accounting or tax advice.

Neither the Lutheran Church Extension Fund nor its representatives give legal, accounting, or tax advice. We suggest that you consult with your attorney and/or tax advisor as to the applicability of this information to your own situation.

Charitable trusts and pooled income funds are provided through the LCMS Foundation and are governed by the state of Missouri.



Lutheran Church Extension Fund

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As a nonprofit religious organization, LCEF investments are not SIPC- or FDIC-insured bank deposit accounts. This does not constitute an offer to sell or a request to buy. The offer is made solely by LCEF’s Offering Circular.

Estate Planning for Women



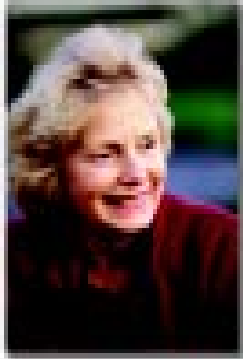
Every Woman Needs a Thoughtful Plan for Her Estate

Gift Planning is a free service provided by the Lutheran Church Extension Fund in conjunction with the LCMS Foundation.
www.lcef.org



Why Women Need Estate Planning

Every woman reading this brochure needs an estate plan, whether she owns large amounts of property or very little, whether she is the head of a large household or has no dependents.



Creating an estate plan (and keeping it updated) helps ensure your financial security during your lifetime. Upon death, an estate plan allows your assets to be distributed in the manner you requested.

Following are issues that should be considered when creating an estate plan designed specifically for you:

■ Marital Status

Whether you are single, married, widowed or recently divorced, you need an estate plan that will distribute your assets to the people and organizations you care about most. If you die “intestate” (without a will or trust), the state you lived in will determine how your property is passed to heirs, or the state may even acquire your assets.

■ Dependents

Are there people in your life who are financially dependent on you (children, grandchildren, elderly

parents)? If so, what provisions have you made for their care if you should die before them?

■ Joint Tenancy

Do you and/or your spouse own property as joint tenants with other people? If so, do you realize that this arrangement may keep your children from inheriting that property? Owning property as joint tenants with your spouse will reduce probate expenses but might cause you or your dependents to pay more estate taxes than necessary.

■ Long-Term Care

What provisions have you made in case you need long-term care? Do you have a living plan in the event you need assisted living or other arrangements?

■ Charitable Giving

Are there charities or Lutheran organizations you wish to remember with a gift before or after you die? Including this information in a will, trust or charitable endowment allows you to control where your money is distributed and when.

Women need to address these issues for themselves. If you are married, you should discuss them with your spouse, so that you both understand and mutually agree on

what will happen if you or your husband passes away.

Good estate planning means, at a minimum:

- Making certain that after your death, your property will be distributed according to your wishes.
- Protecting against estate “shrinkage” brought on by federal estate and income taxes, as well as state taxes, state inheritance laws, lack of estate liquidity and other causes.
- Taking steps to protect beneficiaries with special needs and to make your wishes known about practical matters, like funeral and burial preferences.



Estate Planning Vehicles

Wills

Your will should be the cornerstone of your total estate plan. It gives form and substance to your concern for the future of your family, worthwhile organizations and ministries you care about, and other beneficiaries close to your heart.

Trusts

A trust, created during life or in your will, may figure prominently in your estate plan. Through a trust, you can provide income for your family, transfer investment worries to a trustee of your own choosing, and perhaps save on federal estate taxes and estate administration costs. A trust can also allow you to provide benefits for your family and their future, with meaningful tax and financial rewards. In addition, a trust can provide for the smooth transition of administering your estate if you become incapacitated.

Living Wills

A living will, health care power of attorney or medical directive to a physician should be a part of your estate plan also. These documents provide doctors and family members with guidance in making health care decisions if you are incapacitated.

Personal Affairs Records

A personal affairs record provides detailed information about your finances; location of wills, insurance policies, and trust documents; and explains your funeral and burial preferences. This type of documented information prevents confusion and saves time for family members.

Executor of Will

Choosing your executor (personal representative at death) is an important step that can enable a trusted person to step in and administer your estate.

