

# Your Legacy

A Planned Giving Newsletter From The Northeast Community College Foundation

**Northeast**  
community college  
**FOUNDATION**

## Retirement Plans

The 401(k) is rapidly becoming the most popular qualified retirement plan. More than 90% of large companies now offer a 401(k). With a 401(k), each employee has an individual account and is permitted to transfer a portion of his or her salary directly into the account each year.

To encourage employees to fund their plan, some employers create a matching fund. Retirement plans have been

growing at a fast rate due to a robust market for a number of years. It is not unusual for retirement plans to more than double the actual money invested.

### 401(k) Distributions

After age 70½ (by April 1 of the following year), you must take at least the required minimum distribution (RMD). Your RMD starts at approximately 3.8% at age 71 and increases to nearly 8.8% by age 90.

Because there is likely to be a significant balance in your 401(k) when you pass away, careful selection of your designated beneficiaries is important. If you pass away with a substantial 401(k) balance, then a significant amount will be distributed to your designated primary or contingent beneficiary.

A retirement account is taxed as ordinary income upon withdrawal if paid to an individual beneficiary. The beneficiary has the option of taking their inheritance in a lump sum, which would result in the largest amount of taxation, or over a period of years. A tax-exempt charity, however, does not pay income tax on the assets it receives. The donor can leave a portion of the retirement account directly to the charity and avoid the income and estate taxes on the account. Assets that do not have an income tax liability can be left to individual beneficiaries.

If you have any questions about an end of life gift from your retirement account to a charity, please contact us. We would be happy to assist you and answer any questions you might have. ■



## Legal Designation Language

If you wish to name Northeast Community College Foundation in your will or estate plan, we should be named as:

***The Northeast Community College Foundation, a nonprofit corporation,  
Organized and existing under the laws of the State of Nebraska,  
With a principal business address of 801 East Benjamin Avenue, P.O. Box 469,  
Norfolk, Nebraska 68702-0469***

Tax ID number: 51-0145185

Date of Incorporation: June 1976

The Northeast Community College Foundation is tax exempt under section 501©(3) of the Internal Revenue Code.

At the Northeast Community College Foundation, all unrestricted charitable gifts are used strategically to support the education of our students. As a rule, all estate gifts that come to the Foundation are put into the endowment. If you have a more specific purpose in mind, please contact us at 402-844-7658 to ensure that we can meet your wishes. Your support will ensure the strength and growth of Northeast Community College and Northeast Nebraska.

### Let us Know Your Plans

If you have included the Northeast Community College Foundation in your estate plans, please let us know by contacting us at christinet@northeast.edu or 402-844-7658. We would like to thank you for your generous commitment to the future of Northeast Community College and Northeast Nebraska.

[www.northeast.edu](http://www.northeast.edu)

*We are glad to provide you and your advisor with suggestions to assist you in planning. However, we cannot provide tax or legal advice, and we encourage all of our donors to obtain their own independent and professional advice. ■*

Main Campus  
801 East Benjamin Avenue  
P.O. Box 469  
Norfolk, Nebraska 68702

[northeast.edu](http://northeast.edu)  
(800) 348-9033

*Northeast does not discriminate based upon any status protected by law or college policy. Please go to [northeast.edu/nondiscrimination](http://northeast.edu/nondiscrimination) for details.*

## **Founders Society**

Northeast has established the Founders Society to celebrate and thank those individuals who share in the College's dedication to the success of students and the region it serves. The Founders Society is comprised of those individuals who have chosen to include Northeast Community College in their estate plan with a deferred gift for the ultimate benefit of the College and its students.

Planned gifts include bequest in wills or living trusts; life income plans such as gift annuities, charitable trusts, and pooled income funds; and beneficiary designations of retirement plans, brokerage accounts, and life insurance policies.

### **DESIGNATING YOUR GIFT**

Northeast appreciates receiving information regarding the specific purpose of your planned gift so that we can appropriately document your wishes for our records and you can be assured that we will be able to honor your philanthropic intentions.

### **BECOMING A MEMBER**

Please contact the Northeast Community College Foundation Office if you have interest in making an estate gift and need further guidance.

In addition, if you have already provided for Northeast in a planned gift but have not yet informed us, please let us know.

You can reach us by email at [foundation@northeast.edu](mailto:foundation@northeast.edu) or by phone at 402-844-7240. ■

## **Charter Members**

Anonymous  
Anonymous  
John & Diana Blaylock  
Dr. Michael & Susan Chipps  
Scott & Angela Gray  
Dr. Wade & Kristine Herley  
Joan Hodgson  
Daniel & Dr. Tracy Kruse  
Dave and Ann Lund  
Ed & Corinne Morris  
Dirk & Jan Petersen  
Mark & Beth Pfeil  
Jeff & Lori Scherer  
Brian & Nicole Sedlacek  
John & Vickie Sehi  
Dr. G. Tom & Susan Surber  
Frank & Chris Tudor  
Glenice Watson

### **In Memory -**

Robert Hodgson  
John C. Watson