

PLANNING YOUR LEGACY STRENGTHENS THEIRS

SUPPORTING USAFA'S MISSION

Generous donors help expand the excellence of a U.S. Air Force Academy experience. Cadets benefit from your generosity as they develop valuable character traits and leadership skills.

Legacy gifts — those that require estate planning and perhaps financial advice — can be an effective tool to help you support future Air Force leaders in their development.

There are several types of legacy gifts, including some that won't affect your existing financial resources. Professionals at the Air Force Academy Foundation (formerly the USAFA Endowment) can help you understand the options and how each might affect your financial and charitable goals.

The Air Force Academy Foundation does not dispense specific legal or tax advice. Our staff, however, can provide information and illustrations and work with you and your professional advisors to help you direct your philanthropy according to your needs and wishes.

FOR MORE INFORMATION

Office of Gift Planning
719-472-2059
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LEGACY GIFT OPTIONS

WILLS AND BEQUESTS

"It was a relatively simple process, and the Foundation provided some of the language needed to make it possible. I'm pleased to do this as my legacy and as a tribute to my son."

—Jim Shumate '79

Your will is a cornerstone of effective financial and estate planning. This legal document helps you do several things:

- Protect and direct your assets
- Provide for your heirs
- Set guardianship or other care provisions
- Name organizations or individuals important to you as beneficiaries.

If you have not created your will, your state of residence will make these decisions for you.

A bequest is a great way for you to make a meaningful and lasting gift. Large or small, your bequest, identified in a will or revocable living trust, can improve the experience of cadets through a variety of programs.

Wording can be as simple as this:

"I give to the Air Force Academy Foundation, 3116 Academy Dr., USAF Academy, CO 80840, a 501(c)(3), or its successor, Federal Tax Identification Number 26-0537053, [specified percentage] of my estate."

Contact us for other wording examples and programs you can support with your future gift.

LIFETIME INCOME GIFTS

"The icing on the cake is the fact that, ultimately, the Air Force Academy will benefit. It's a win-win for all concerned, and we were pleased to do this."

—Steve Muller '64

Certain types of charitable donations can generate income for you and your loved ones while designating future gifts in support of the Air Force Academy. Depending on which type you choose, you could realize benefits such as:

- Receiving income payments for life, with a choice of fixed or variable rates of return
- Naming a second beneficiary, such as a spouse or significant other, as a subsequent income recipient
- Avoiding capital gains taxes if you use appreciated assets
- Structuring income payments to be partially tax free
- Claiming a charitable income tax deduction.
- Reducing the size of your taxable estate
- Supporting Air Force Academy cadets with a final charitable gift

A variety of charitable gift options exist. Contact us to get a better understanding of how they work and how you can take advantage of them.

GIFTS OF PROPERTY

"Property gifts are an amazing way to bring mutual benefits to donors and the Academy, and they can range from small residential lots, to no-longer-used vacation homes to commercial property."

—Jack Kucera '78

A gift of property you own but may no longer have a use for offers a way to support the Academy.

There are two types of property gifts:

- Personal property, such as vehicles, aircraft, patent rights, timber or mineral rights and certain valuables
- Deeded property, chiefly real estate, including personal residences, vacation homes, farms, commercial or industrial parcels.

Particularly with real estate, you may:

- Make an immediate gift
- Arrange a transfer of your home but continue to reside in it for your lifetime
- Use the property value to fund a trust to pay you income for life
- Give your property through your will or trust.

In general the fair market value is used to calculate the benefits to you, regardless of what you paid. Each potential gift must be examined for suitability of its ability to support the Academy, in adherence to the gift acceptance policies of the Air Force Academy Foundation. Contact us for specifics and illustrations of the benefits available to you.



STOCKS, IRAS AND OTHER GIFTS

"It makes such sense to get 100 percent of the stock's market value as a charitable deduction. Plus, it does not affect my cash flow and allows me to rebalance my portfolio while helping the Academy."

—Fred Olmsted '64

Certain donation sources may offer distinct advantages.

Publicly traded stocks, bonds or mutual funds

Using investments you have held for longer than 12 months to make a gift allows you to deduct the full market value (based on date the stock is received by the Air Force Academy Foundation's broker) without incurring capital gain taxes.

Non-publicly traded securities

The IRS allows the charitable donation of certain securities not publicly traded, including those of closely held corporations, S-corporations, restricted stock and some stock options. Each class has specific requirements for a transfer.

Donations from individual retirement accounts (IRA)

If you are age 70 1/2 or older you may make a qualified charitable distribution (QCD) to us from a standard IRA. QCD gifts exclude that amount from your adjusted gross income. A tax law in place since 2020 moved the age at which a required minimum distribution (RMD) becomes effective to 72 for persons who turned 70 1/2 on 1 January 2020 or later. At that point a QCD can consist of your standard IRA's annual RMD, either partially or in its entirety. However, QCDs cannot also be claimed as a charitable deduction on your income tax returns.

Beneficiary Designation

An attractive option is to designate the Air Force Academy Foundation as the future recipient of some or all of what's left in various accounts you currently hold. Some examples include but are not limited to:

- Retirement plans, such as an IRA, 401(k), 403(b) or other qualified plan
- Savings and checking accounts
- Mutual funds
- Donor advised funds
- Insurance policies