

News You Can Use

FROM DAWN MARTZ



Dawn Martz
Director of Philanthropy

Greetings!

It so nice to see so many of you out on campus enjoying this beautiful weather. As we start to resume opening up our campus activities, I hope to see more and more of you back to the hustle and bustle of good living! – With the topic of our campus activities reopening, I'd like to talk a little bit about our Foundation events we had to put on hold last year.

The Foundation typically hosts three donor events, one in September, October and November. These events allow us to say thank you to our donors.

The first in September is the Donor Mixer Social, this event is hosted for those donors who donated between \$500 - \$999 the previous year. Previously, this was hosted outdoors in the Courtyard of the Shoppes where we enjoyed live music and a selection of hors d'oeuvres created by Chef Rodney.

The second event is the Donor Luncheon for donors who donated \$1,000 - \$24,999 in the previous year. This event was held in the El Dorado or Madera Room in October.

And finally, our third event, Donor Dinner for donors who have donated cumulatively \$25,000 or more which is hosted in November in the Continental. It is really very easy to meet the cumulative

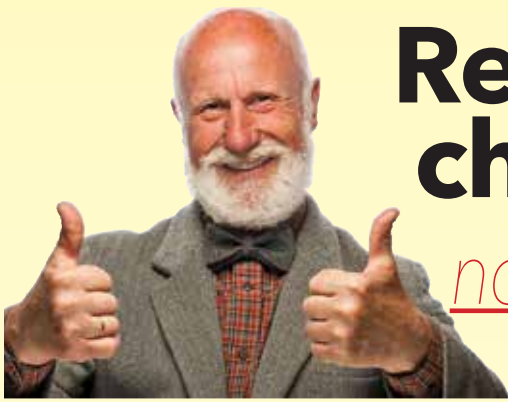
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**DONATIONS
JANUARY - MARCH 2021**

\$884,856.38

*(*does not include REF or Annuities)*





Reward charity, not the IRS

Do you own a small fortune in stocks or real estate? Or maybe you're looking to sell your business interest for a tidy sum. In any case, you'll have to pay the tax piper one way or another through income tax, estate tax or gift tax – or a combination of all three.

Fortunately, there's a way to create a triple tax bonanza with just one stroke of your pen.

Strategy: Set up a charitable remainder trust (CRT). Not only do you slash your family tax bill, you also reward a deserving charity, like Posada Life Foundation. You win, the charity wins...and Uncle Sam loses.

As an added incentive, a CRT can help avoid an extra tax that applies to certain high-income taxpayers. Here's the whole story: You transfer appreciated property – like stock, real estate or a business interest – to a trust set up to last for your lifetime or a term of years. The trust provides payments to the designated “income beneficiary” (i.e., you or your spouse) during the CRT's existence. The income beneficiary pays tax on the annual trust distributions. At the end of the term, the remainder goes to the charity named when you set up the trust. The tax benefits are immediate and plentiful.

Consider the following:

- You're entitled to a current tax deduction (assuming you itemize) for the value of the remainder interest eventually passing to the charity. The deduction is based on IRS tables.
- You avoid a potentially large capital gains tax on the

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DO YOU SHOP AMAZON?

Want to help make a difference while you shop in the Amazon app, at no extra cost to you? Simply follow the instructions below to select “La Posada at Park Centre Inc” as your charity and activate AmazonSmile in the app. They'll donate a portion of your eligible purchases to us.

How it works:

1. Open the Amazon app on your phone
2. Select the main menu (=) & tap on “AmazonSmile” within Programs & Features
3. Select “LA Posada at Park Centre Inc” as your charity
4. Follow the on-screen instructions to activate AmazonSmile in the mobile app



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sale of appreciated property. The income beneficiary can rely on a steady stream of income from the trust.

- Although the assets are removed from your taxable estate, you effectively retain the right to receive income from those assets.
- With proper planning, you can eliminate or minimize any potential gift tax liability on the transfer of property to the CRT.
- The trust may be used as a tax-advantaged vehicle for transferring your business interest to your children or other descendants.
- You make a substantial gift to the charity of your choice. If the charity subsequently sells the property, it can invest the proceeds in assets that would produce income without paying a big tax on the gain.

There are two basic types of CRTs: Charitable remainder annuity trusts (CRATs) and charitable remainder unitrusts (CRUTs). No matter which one you use, the income beneficiary must be entitled to an annual payment each year for life or a period of no more than 20 years.

With a CRAT, the payment must be a fixed amount at least equal to 5% of the initial value of the trust property. In contrast, a CRUT requires payment of a fixed percentage (not less than 5%) of trust assets.

Note: There are certain other restrictions in the law. For instance, a trust won't qualify as a CRT if the annual payout exceeds 50%. Also, it must be clear from the outset that the charity will receive at least 10% of the donated assets.

Finally, any type of CRT is irrevocable.

Once you set one up, you can't get your assets back.

Tip: A CRT isn't free. You must pay fees for establishing and administering the trust.

**Article from Crescendo.*



Your Insurance Can Be Your Legacy

How to use your policies for good.

Did you know you can use old or unnecessary life insurance policies in new ways to achieve your goals? There are a variety of ways that you can use your life insurance to support the Foundation.

- You can give your unneeded policy to support our mission today.
- You can name Posada Life Foundation as a beneficiary of a policy you still want to hold on to.

For more information, please contact the Foundation.

Sweeten the CRT Benefits

Some investors have yet another tax concern: a 3.8% tax applies to the lesser of your "net investment income" (NII) for the year or the excess above a modified adjusted gross income (MAGI) of \$200,000 for single filers and \$250,000 for joint filers.

Strategy: Use a CRT to shelter income. It can reduce exposure to the NII tax by spreading out payments over time.

Of course, there are other considerations, but this can be the cherry on top of the tax icing for CRTs.

**The information provided is general in nature and for informational purposes only. You should consult your personal professional advisor regarding your specific situation.*

Did You Know...

That you can have your contribution to the Scholarship Fundraising Campaign added to your monthly statement? It can be a one-time charge or recurring. Just call the Foundation at ext 7910.

CENTER STAGE



I'm so excited for all of you to see Center Stage. Until then, please enjoy the following photos of the project as of 4/23/20.

We have found a new vendor for the Shade Structure and anticipate it to take 12 – 16 weeks to complete the project.





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donation threshold of \$25,000 per household. I know it may sound like a lot, but there are many ways to do it and the first two don't require any current funds –

- **Bequest** – Notify the Foundation that you have left a bequest to La Posada in your trust or will.
- **Pledge** – Complete a pledge of at least that amount from your Refundable Entrance Fee.
- **Charitable Gift Annuity** – Receive lifetime income and a charitable tax deduction. Use cash or stock to fund it.
- **IRA Charitable Rollover** – Satisfy your required minimum distribution, support the Foundation, and enjoy next year's donor dinner.
- **Outright Donation** – Donate cash or stock to meet the requirements.

Remember—this is cumulative. All your donations over the years count toward the threshold amount. Please feel free to contact me at ext 7913 with any questions.

Additionally, once the campus fully opens up the Foundation will resume its seminars for all to enjoy.

We look forward to hosting these wonderful events to say thank you to our donors! We couldn't do it without you!!



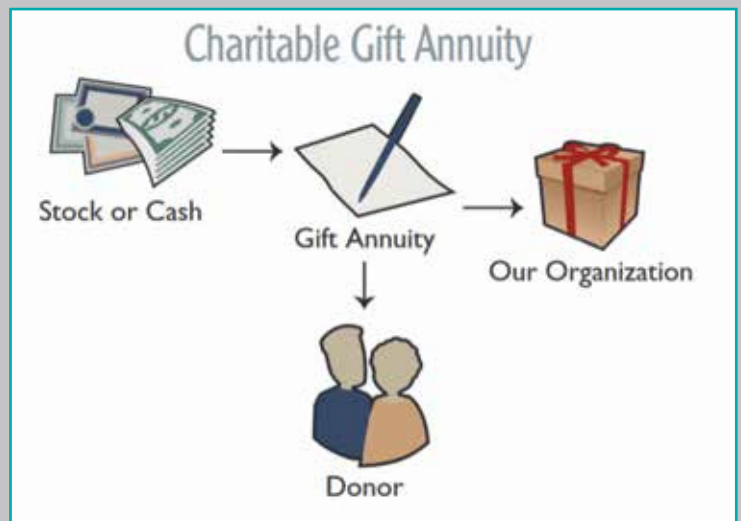
Annuity Rates - One Life

Age	Rate
64 - 65	4.4
66	4.5
67	4.6
68	4.7
69	4.8
70	4.9
71	5.0
72	5.1
73	5.3
74	5.4
75	5.6
76	5.8
77	6.0
78	6.2
79	6.4
80	6.7
81	6.9
82	7.2
83	7.4
84	7.6
85	7.8
86	8.0
87	8.2
88	8.4
89	8.6
90+	8.8

Grab Your Boomerang

There is something fascinating about a boomerang. When you know how to throw one, it travels a long distance, then returns to you. While you may not have a boomerang or know how to throw one, there is something you can do that brings even more benefits.

It's called a charitable gift annuity, and when you fund one, it brings you back many wonderful benefits including fixed payments for life, and an income tax deduction the year it is funded and other benefits including capital gains savings if you fund one by transferring appreciated stock.



We have recently updated our single life annuity rates based on the American Council on Gift Annuities; (see chart to the left).

Call or email Dawn to learn what wonderful things will boomerang back to you when you fund your gift annuity with La Posada. (ext 7913 or email dawn@laposadagv.com)



2020 Dow Master Prognosticator Winner

Lou English guessed the DOW would close at 30,333 in December of 2020; it closed at 30,410. She has won a \$20.00 gift card to use at Posada Java upon reopening.

Congratulations Lou we will be mailing you your gift card!

2021 Giving Incentives

Just a reminder that the CARES Act passed in 2020 included several charitable tax provisions to encourage giving. Congress has extended these provisions for 2021 including:

- A deduction for charitable donors who do not itemize when filing their tax returns. If you do not itemize but make a cash donation to charity, you will be allowed to take a special tax deduction, up to \$300 (\$600 for joint filers), to reduce your tax liability.
- An increase in the deduction limit up to 100% of a donor's annual income for cash gifts (previously the deduction was capped at 60% of annual income). If you donate this year, you will be able to deduct more this year.

Upcoming FOUNDATION EVENTS

Monthly Birthday Dinners - We have resumed in person birthday dinners. These dinners will take place over a two-night period. Dinners will be held the 2nd Wednesday and Thursday of each month, unless otherwise noted.

Scholarship Award Ceremony and Fund Drive -

By now we hope you've had the opportunity to watch the Scholarship Award Video that aired on Monday, May 3rd. That was our kickoff to our annual scholarship campaign that will go until July 31, 2021. If you are interested in starting your own Named Scholarship or endowment, please contact Dawn Martz at ext 7913 for further details.

Donor Mixer Social** - This event is for donors who have donated between \$500 - \$999 in 2020. We are hoping to host this event in September.

Donor Luncheon** - This event will be hosted for donors who have donated between \$1,000 - \$24,999 in 2020. We anticipate that we will host this event in October.

Donor Dinner** - For donors who donated cumulatively \$25,000 or more. This event will be hosted in November.

***At this time, we are unsure if we will be able to host large gatherings, but we will be sure to celebrate with each of our donors somehow. Dates will be published as we get closer to the event and work out all the details.*

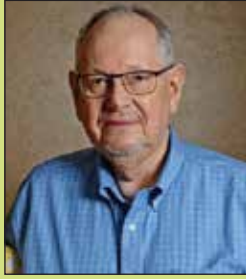
Cumulative Balances of Select Foundation Funds as of March 2021

General Campus:.....	\$416,070
La Joya, La Via, La Hacienda, Outpatient Therapies:	\$166,726
Special Interests:	\$130,466

Philanthropy Advisory Council



Monte Crook



Marvin Hass



Marjory Margulies



Jerry Ochs



Peg Robb



Bill Stevens



Ivars Vecbastiks



Eugene Zavrl



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