

Arctic Footprints

News & Ideas for Charitable Giving Late Summer/Fall 2018

Creative Giving

John Mosby Russell knows a thing or two about a creative and smart way to support the Diocese of Fairbanks—the **charitable gift annuity**.

“My first gift annuity was established more than 40 years ago with Catholic University of America (his alma mater),” shared John. “I now have gift annuities with 18 charities, including the Diocese of Fairbanks.”

As a child, John had a fascination with Alaska. He read articles and books about the area, hoping to one day see it for himself. He first visited in 1962, driving cross-country with friends, and he returned in 2012.

In addition to a love for the area itself, John has strong ties to the Diocese as a result of his friendship with Monsignor John B. Brady, a fellow Eagle Scout. John met Msgr. Brady while they were students—and fellow Scouts—at St. Ann’s Catholic School. They have been friends ever since and they continue to share an involvement in the Boy Scouts—recently they attended the World Scouting Jamboree in Sweden. John serves on the International



John Mosby Russell

Scouting Board and was the first national chairman of the National Eagle Scout Association.

John has also been a long-time, faithful supporter of the Diocese. “As the United States’ only Missionary diocese*, the Diocese of Fairbanks has very few priests who are charged with serving a large territory. The Lord has blessed me over the years. I am enthusiastic to support the work they do.”

For John, the gift annuity is a “great giving vehicle” for a number

of reasons. “Annuities are a way for me to supplement my income after my retirement (he retired in 1985),” said John. “I’m always surprised that my peers and others, especially financial advisors, don’t know that gift annuities are a smart way to give.”

“There are other provisions in the tax code to encourage supporting charities. For instance, you can make a charitable gift from your required minimum distribution of your IRA and avoid paying tax on the withdrawal. Or, you can give appreciated securities and avoid paying capital gains tax. I often fund my gift annuities with appreciated securities instead of cash as there are added tax benefits.”

For John, his mission is clear: “I hope by sharing my story, I can inspire others to think creatively when it comes to giving to their favorite charities, like the Diocese.”

**Recognized as the United States’ only missionary diocese by Rome’s “Congregation of the Evangelization of Peoples,” it is home to 13,500 Catholics, out of a general population of 165,500.*

Inside:

- How to Give and Receive More Than You Thought Possible
- Will the New Tax Law Change the Way You Give?



How to Give and Receive More Than You Thought Possible

Have you ever wished you could give more in support of the Missionary Diocese of Fairbanks while also maintaining your financial well-being?

With a charitable gift annuity, you can plan for your own secure future as you support the Diocese and our work. Gift annuities can be a wonderful option if you need to supplement your retirement or take care of a loved one.

There are many advantages to supporting the Diocese of Fairbanks with a gift annuity. Two significant benefits are:

- 1. The amount of your payments will never change, regardless of interest rate fluctuations.**
- 2. Your payments will continue as long as you live.**

Your gift annuity payments are backed by all of the available assets of the Diocese. After your lifetime

Gift Annuity Payment Rates			
Selected Rates for One Person		Selected Rates for Two People of the Same Age	
Age	Rate	Ages	Rate
90+	9.5%	90/90	9.1%
85	8.3%	85/85	7.3%
80	7.3%	80/80	6.2%
75	6.2%	75/75	5.5%
70	5.6%	70/70	5.0%

For illustrative purposes only. Please write for current benefits and rates for other ages.

and/or the lifetimes of other payment recipients, our obligation to make payments ends, and the gift portion remaining goes to benefit the Diocese of Fairbanks.

Your tax benefits

Because part of the gift annuity will be used for charitable purposes, you are entitled to an income tax deduction for the gift portion of the annuity in the year it is established, and possibly in up to five additional years.

These deductions may help boost your total deductions above the new, higher standard deduction amount, allowing you to benefit from the gift to the Diocese as well as from other deductions. And, part of each gift annuity payment is free of tax for a period of time.

Learn more

We can provide you with a personalized illustration to show your benefits, confidentially and with no obligation. Simply return the enclosed card or contact Teresa Chepoda-USibelli at 907-374-9528 or teresa@cbna.org.



Already Have a Gift Annuity?

If, like many of our donors, you have a gift annuity with another charitable organization, consider funding your next annuity with us. **Gift annuity payment rates have recently increased**, making this a wonderful time to support the Diocese in this way.

Ruth Elia is a Yup'ik Native Elder from Saint Mary's, Alaska. She attended Saint Mary's boarding school in Akulurak, Alaska. After graduating, Ruth volunteered for years in the school, even when she moved from Akulurak to Saint Mary's.

Will the New Tax Law Change the Way You Give?

Recent tax law changes have left many with questions such as: How will the new law impact making my charitable gifts? What are now some of the most effective ways to make my gifts to the Diocese of Fairbanks this year and in the future?

The answers to these questions will depend on your individual circumstances, so it is always wise to discuss any giving ideas with your accountant or other advisors. Generally speaking, there are a number of positives in the law where charitable gifts are concerned:

- The charitable income tax deduction was preserved, and the amount a person is allowed to deduct was expanded for some.
- Fewer people will be subject to the federal estate tax than ever before.
- The tax advantages of giving from retirement plans and giving certain types of assets remain the same.

For example: If you are age 70½ or older, you can **make tax-free gifts from your Individual Retirement Account (IRA)**. This is a tax-effective way to make charitable gifts—in any amount totaling up to \$100,000 per person per year—whether or not you deduct your gifts on your tax return. You can even count these gifts toward any amount you are required to withdraw each year.

Another example: **Making gifts of stocks or mutual funds** that have increased in value may be particularly attractive. When you give this way your tax deduction is based on the current value of the shares, not just the amount you paid for them. As an added benefit, no capital gains tax will be owed on the increased value. This also allows you to conserve your cash for other uses.

Give More by Giving Securities

One opportunity for assisting with our mission work here in northern Alaska is to make a gift of stock to the Catholic Bishop of Northern Alaska (CBNA), the corporate legal name for the Roman Catholic Diocese of Fairbanks. If you are interested in providing a donation to the missions in this manner, the following procedure should be used.

Contact *your* broker or use your online brokerage account to request a transfer of your stock (mutual fund or common) to the Catholic Bishop of Northern Alaska and request them to contact First National Bank Alaska Investment Trust, CBNA's stock depository at (907) 777-4572 with the following instructions:

“This transfer is being executed as a gift to the Catholic Bishop of Northern Alaska. I would like to do a Depository Trust Corporation (DTC) Transfer of _____ (# of shares of a particular stock) to:

DTC Eligible Securities

Participant Number: 2116 - Fifth Third Bank

FFC A/C #: 010034293650 • A/C Name: FNB Alaska

Agent Bank #: 10016 • Institutional ID #: 61219

For Further Credit To:

Catholic Bishop of Northern Alaska • Acct # 50-1975-00

Name of Transferee/Donor: _____”

For all other questions in relationship to stock donations please contact the Office of Development at 907-374-9528 or by email teresa@cbna.org.

Prayers for Our Seminarians

Each spring, seminarians around the country prepare for their annual evaluations. In mid-March, Fr. Robert began traveling to the seminaries where our two men are currently in formation. Ben Doudna is studying at Mt. Angel Seminary in St. Benedict, OR, and Josh Miller is studying at the University of Saint Mary of the Lake/Mundelein Seminary in Mundelein, IL. This year Ben will be preparing for his spirituality summer and placement in a local Fairbanks parish in the fall for his pastoral internship year.

Please continue to pray for the discernment and success of our men already in formation, as well as for those who are continuing to discern their call to enter the seminary in preparation for the priesthood. It is only through continual prayer, conversation, and encouragement that we will help the seeds of vocation germinate and flourish in the Diocese of Fairbanks.



Considering a Bequest?

If you are considering making a gift to the Diocese of Fairbanks through your will or trust, we sincerely thank you. These gifts make a profound difference in our ministries. Here is some language you may want to share with your attorney:

“I give the sum of \$_____ to the Catholic Bishop of Northern Alaska, 1312 Peger Road, Fairbanks, Alaska 99709”; or “I leave all (or a portion) of the rest, residue, and remainder of my property of every kind and character, including personal property and real estate and wheresoever the same may be situated, I give and devise to the Catholic Bishop of Northern Alaska, 1312 Peger Road, Fairbanks, Alaska 99709.”

Join Father Szymon Czuwara

on a Pilgrimage to Italy & optional post tour to Medjugorje
October 1-9 (12), 2018

For more information or to sign up, call 907-374-9528 or visit www.pilgrimages.com/frszymon

Four Popular Ways to Leave a Legacy

After taking care of loved ones, there are a number of ways to include the Diocese of Fairbanks in your estate and financial plans. Here are the most popular:

- 1. A gift in your will or living trust.** You may include a gift of a specific dollar amount, a percentage of what is left after other distributions have been made or a particular asset. You may be able to add a charitable gift to an existing will through a simple amendment.
- 2. Naming the Diocese as a beneficiary of your retirement plan.** When you leave the balance of an IRA or 401(k) to your heirs, they must carefully manage the account to avoid losing its tax-deferred status and potentially triggering large income taxes and possible penalties. You can simplify matters for your loved ones by directing all or a portion of what remains in your retirement accounts to the Diocese and leaving other more tax-favored assets to your heirs.
- 3. Turning unneeded life insurance into a gift.** You can make the Diocese a beneficiary of a life insurance policy without changing your will. If your financial and family circumstances have changed over the years, you may have life insurance policies you purchased for the payment of estate taxes that may no longer be due.
- 4. Making a gift while you arrange an income for life.** A charitable gift annuity is one of a number of ways to give that can provide an income to you and/or a loved one while eventually funding a charitable gift. In addition to immediate tax benefits, you or someone you choose will receive fixed payments for life. This can be a way to provide for retirement income or support parents. See more about gift annuities on Page 2.



More information

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