

# TALENTS

Proving Faithful in Stewardship  
Matthew 25:14-30



## WHEATON COLLEGE GIFT PLANNING NEWSLETTER

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Dear friends,

We know that many wonderful things in life may only be experienced once: a flower’s bloom, a shooting star, a first love. Perhaps you can recall your first experience at the ocean or flying in an airplane. And nothing can compare to witnessing a child’s first steps. These emotional moments can create memories within us that stay with us forever. But one-time-only experiences can also leave us wanting more.

When it comes to the people and charitable causes you love and the legacy you want to leave, you may be surprised to learn about the “give it twice trust.” In this edition of *Talents*, we’ll discuss the **testamentary charitable remainder unitrust** – a special planned giving tool that allows you to use your resources to provide your loved ones with an income flow over many years - plus a significant gift to charity.

*Danielle Hilgers*

*Julie Davis*

*Lindsay Jurgensen*

Danielle Hilgers, JD  
Director,  
Gift Planning Services

Julie Davis  
Associate Director,  
Gift Planning Services

Lindsay Jurgensen, JD  
Associate Director,  
Gift Planning Services



**WHEATON  
COLLEGE**  
*For Christ & His Kingdom*



## The Give It Twice Trust

The *testamentary charitable remainder unitrust* (CRUT) is often called the “give it twice trust” because it is a unique giving vehicle through which donors can create an income flow for loved ones *and* support charity. Many donors appreciate that they can use a portion of their estate to fund a testamentary CRUT to create an income stream for their chosen beneficiaries, rather than leaving the entire inheritance as a large lump sum.

A testamentary CRUT is funded after death with assets from your estate. Typically, this is done through a provision in your Will or revocable trust or through a beneficiary designation of a retirement account. The CRUT will pay an income flow of a fixed percentage of the trust assets (as revalued annually) to your loved ones for a term of up to 20 years. At the end of the trust term, the remaining trust assets will go to support the important Kingdom work at Wheaton College and possibly to other charities of your choosing, as well. The remainder gift to Wheaton can be general or designated to a particular academic department, athletic program, scholarship, and the like. Wheaton College Trust Company can provide professional trust management services for the CRUT.

While there are advantages of funding a testamentary CRUT with various estate assets, there are unique advantages to funding it with traditional, i.e. tax deferred retirement assets. After the SECURE (Setting Every Community Up for Retirement Enhancement) Act’s passage in 2019, most non-spouse individuals who inherit these retirement assets must take all distributions within 10 years of the account owner’s death. As these assets have never been taxed, the distributions will be taxed at the beneficiary’s tax rate.

This 10-year withdrawal rule was a significant change to retirement asset and inheritance planning. In the past, distributions could be “stretched out” over a beneficiary’s life expectancy, which provided great tax benefits. With the new 10-year rule, the testamentary CRUT has become an increasingly popular tool for people to provide for their loved ones in an incremental and tax-beneficial manner – while also making a meaningful difference for the charitable organizations they love.

If you like the idea of giving your loved ones up to 20 years of income flow and supporting Wheaton College, consider funding a testamentary CRUT



with some or all of your traditional retirement assets as part of your estate plan, rather than leaving these assets to your loved ones outright. The CRUT will receive the assets tax-free, make payments to your loved ones for years to come, and then Wheaton College will receive a substantial gift!

**Example**

John updated his beneficiary designation form for his traditional IRA to fund a \$1,000,000 testamentary CRUT at his passing. It will pay out 5 percent annually to his adult children. In the first year, this will be \$50,000. Assuming the CRUT value does not increase or decline over the trust term, the CRUT will pay a total of \$1,000,000 to his children over 20 years and then, based on John's designation, it will create an endowed scholarship at Wheaton College.

*Note: assumptions are based on the CRUT's value remaining steady. Actual market conditions will vary.*

If you would like to learn more or receive a personalized illustration, please call 630.752.5332 or email [gift.plan@wheaton.edu](mailto:gift.plan@wheaton.edu).

## WHEATON COLLEGE TRUST COMPANY, N.A.

Administering an estate as executor or trustee can be complex and time consuming, which is why it may be wise to have a professional trust company rather than a loved one serve in this role. Wheaton College Trust Company, N.A. can serve as executor of a Will or trustee of a trust for those making significant gifts to Wheaton College through their estate plans. We are happy to discuss these offerings and various other strategic charitable giving options. Please contact us!

**Phone** 630.752.5332

**Email** [gift.plan@wheaton.edu](mailto:gift.plan@wheaton.edu)

**Website** [wheaton.edu/giftplan](http://wheaton.edu/giftplan).

## ESTATE REVIEW

For Wheaton College supporters who would like to learn more about strategic and tax-efficient charitable giving opportunities, our Gift Planning Services team offers an Estate Review. This service prompts donors to make sure their estate plans are up to date for the sake of their loved ones. We offer charitable giving options which may provide tax reduction, and we help equip donors to have effective communication with professional advisors. Please reach out to us for more information.

# Real Estate Giving

Many of us hold wealth in assets other than cash. Due to capital gains, real estate that has increased in value since it was acquired is an excellent asset for strategic giving. Examples may include a vacation home, an investment property, or farmland. Perhaps you are avoiding the prospect of selling because of the sizable capital gains taxes that will be due on the appreciation.

Many Wheaton supporters have used planned gifts to help them reduce taxes, give a meaningful gift, and even create an income flow for themselves or others. You can make an **outright gift** of your property to charity, or you can use it to fund a **during-life charitable remainder trust**, which partially avoids the capital gains tax that would be due upon a sale, reinvests the sale proceeds, and provides you with a lifetime income flow!

You can also use real estate to fund a Wheaton College **donor advised fund** – and recommend gifts to various charities over a period of time! Through a **retained life estate** gift, you can continue to live in a property for your lifetime and then at death, the property passes to Wheaton College. With a **bargain sale**, you can sell your property to Wheaton for less than market value and receive a tax deduction for the difference. We will go into these options in more detail in our next edition of *Talents* – stay tuned! In the meantime, please contact us to learn more.

## Contact Information:

630.752.5332 | [gift.plan@wheaton.edu](mailto:gift.plan@wheaton.edu)

# Upcoming Events

- Alumni Weekend – May 3-5, 2024
  - Blanchard Society luncheon (by invitation)  
May 3, 2024 at 11:30 a.m. CST
  - Estate Planning Seminar  
May 4, 2024 at 1:30 p.m. CST
- Homecoming Weekend – October 4-6, 2024
- Virtual Estate Planning Seminar: Reduce Taxes Through Beneficiary Designations, Gift Annuities, and Charitable Remainder Unitrusts  
October 22, 2024 at 8 p.m. EST / 7 p.m. CST / 5 p.m. PST

## GIFT PLANNING INFORMATION SHEETS

Contact us today! We are happy to provide you with resources on any of the following topics:

- Gift Planning Services overview
- Strategic Giving
- Gift Annuities
- IRA Qualified Charitable Distributions
- Tax-Advantaged Giving from Retirement Accounts
- Estate Review
- Charitable Remainder Unitrust (CRUT)
- Wheaton College Trust Company
- Remainder Interest in Personal Residence or Farm
- Non-Cash Gifts
- Giving Through Your Estate
- Donor Advised Funds (DAFs)
- Blanchard Society



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501 College Ave. | Wheaton, IL 60187

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[wheaton.edu/giftplan](http://wheaton.edu/giftplan) | 630.752.5332 | [gift.plan@wheaton.edu](mailto:gift.plan@wheaton.edu)