

Catholic

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PLANNER

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"Helping the faith community of today build the Church of tomorrow"

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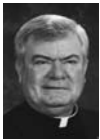
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Pat Neylon

A Charitable Trust Story

The first time I spoke with Pat Neylon was on the phone in June, 1997. That phone call started an eleven-year relationship in which Pat and I would meet

for lunch and enjoy conversations about baseball, the stock market and the various activities and happenings in the Diocese of Lincoln. Pat was particularly interested in Catholic schools, especially elementary schools. That belief in the importance of our Catholic schools led Pat and I to discuss the idea of a charitable trust. Pat was a retired restaurant owner. Pat took a keen interest in saving and investing money and was actively involved in the management of his investments. He was a "do it yourself" kind of investor, so the idea of a charitable trust was at first not appealing to him.

After reviewing the details of how a charitable trust would work for him, Pat eventually warmed up to the many benefits it could provide him. One of attractive benefits was the ability to sell and reinvest some of his appreciated securities tax free, and provide himself a lifetime of income. He also liked the charitable tax deduction he received. Most of all, Pat was happy that after his death his trust would make a wonderful gift to support a Catholic elementary school close to his heart. He named St. John the Apostle Catholic School in Lincoln as the beneficiary, and specifically wanted the trust to go to the school's endowment fund. There it would be a permanent source of support for Catholic education, and a permanent legacy for Pat to perpetuate his

Catholic values.

One of my lasting memories of Pat came during one of our lunches. I told him about a book I was reading titled, "Flags of our Fathers". The book was about a family discovering their father was one of the marines in the famous Iwo Jima flag-raising photograph from World War II. Pat got very quiet when I mentioned Iwo Jima. Then he disclosed to me he was a marine and survivor of Iwo Jima. He didn't share any more details about his experience there, only to say that "war is disgusting." It was an amazing revelation to me, and showed that Pat was like many World War II veterans who rarely shared about their battle experiences and never bragged about their heroic service to our country. And their service continued after they came home with their charity and generosity with their estate plans.

Eventually health problems caused Pat to remain at his residence most of the time, and our lunches ended. In Pat's last few years he was most grateful for the parish community of St. John the Apostle when they delivered Holy Communion to him. His connection to the parish and school remained until his death in June, 2008. After his death, his charitable trust ended and St. John the Apostle School received a wonderful gift to their endowment. We remember Pat, pray for him, and thank him often for his charitable planning for Catholic elementary education. His faith and Catholic values will live on for students at St. John the Apostle for years to come.

Michael L. Henkenius, J.D.
Executive Director

Charitable Giving = \$5,000 IN STATE TAX CREDITS

The Nebraska State Charitable Tax Credit – How it can work for you

To encourage Nebraskans to make charitable gifts to endowments for Nebraska charities, a state law called “Endowed Nebraska” provides up to a \$5,000 tax credit. This CREDIT is in addition to the normal tax deduction for charitable gifts.

Under the “Endow Nebraska” law, when an individual donates an irrevocable planned gift to an endowment fund in Nebraska, that individual is entitled to a tax credit, equal to 15% of their charitable contribution deduction up to a maximum credit of \$5,000.

In order to receive the state tax credit your gift **MUST** be one of the following types of planned gifts to an endowment fund:

- Charitable Remainder Trust
- Charitable Lead Trust
- Charitable Gift Annuity
- Life Estate Agreement
- Paid Up Life Insurance Policy

Outright gifts of cash do not qualify. Also important: your gift **MUST** be to an endowment fund. It can't be unrestricted to the charity.

EXAMPLE:

Jane Parishioner is 80 years old and donates a \$60,000 charitable gift annuity to the St. John the Apostle School Endowment Fund. At 80 years of age, Jane is entitled to a 6.1% annuity rate. Jane receives \$3,660 in an annual annuity for as long as she lives. Of that amount, \$2,943 is tax-free. In addition, Jane receives a \$33,527 charitable tax deduction.

But wait there's **MORE!** Under the “Endow Nebraska” Tax Credit Law, Jane also receives a \$5,000 tax CREDIT. With all these incentives, Jane's effective annuity rate is close to 9%. Most importantly, Jane takes great satisfaction, knowing that her annuity will eventually benefit St. John the Apostle School and provide a permanent source of support for future generations of Catholic schoolchildren at St. John's. Jane has left an inspiring legacy at the school



There are many Catholic endowment funds that qualify for support under the new law. Most Catholic schools have endowment funds. Contact our office to learn more.

Always consult with your qualified tax advisor to learn more about these smart and practical charitable giving options.

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the winds of a fluctuating market?*

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a charitable gift
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WITH FIXED INCOME FOR LIFE, YOU NO LONGER NEED TO WATCH THE MARKETS.
HELP THE CATHOLIC FOUNDATION, AND YOURSELF.

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- POTENTIAL HIGHER INCOME BASED ON AGE
- CHARITABLE DEDUCTION/TAX SAVINGS
- BYPASS OF CAPITAL GAIN ON GIFT
- TAX-FREE INCOME PORTION
- REMAINDER TO CATHOLIC FOUNDATION

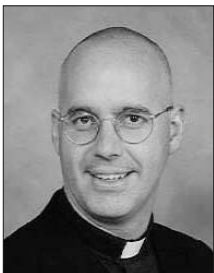
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A Word from Father Major — The Gift of Time

Father Stephen Major is pastor of St. Joseph Catholic Church in Beatrice



Recently I was with a group of people, many of whom were small children. The kids were energetic, noisy and happy. One of the parents of

those children looked at me, knowing what I was thinking. With a weary smile she looked at me and said, "You get to go home alone though, Father!" I blushed a little because she had read my mind and I couldn't deny it; she was right.

There are certain sacrifices that go along with celibacy, but I had to admit that my quiet time and my freedom to come and go were still pretty intact. As parents of young children she and her husband were making a sacrifice that I hadn't thought about before: they gave up their privacy when they became par-

ents. Children need someone to talk to, and Mom and Dad's ears are usually the ones they want most. Children don't understand schedules, fatigue, or priorities. It's a challenge to the generosity of young parents, which must grow quickly to satisfy the endless needs of their sons and daughters.

The sacrament of Matrimony is God's plan to make that growth happen. Day after day, year after year God keeps on giving to husband and wife the graces they need to fulfill the needs of their children. At the risk of making a crude analogy, the sacrament of Matrimony is like a clown car at the circus. People keep stepping out of the tiny little car and you can't believe it. God's grace for husbands and wives keeps enabling them to do supernatural things for their family even when that looks impossible. The trick for husbands and wives is to become convinced

that God can do that for you. Day after day, when you're at your wits' end, look up at God and say "OK God, back on our wedding day you promised to help us to be a good, faithful, holy couple. We need some more help with that today, please. Amen. Oh, and thank you!"

At this point you might be wondering what this could possible have to do with stewardship. Everything! After all, stewardship means 1) recognizing that everything is God's gift to us and then 2) deciding how to use all of that in our lives. What I tried to describe above is a way that life teaches us to be better stewards. Our time, our privacy can be taken away from us grudgingly or we can give it away cheerfully and lovingly. This doesn't just apply to married couples, either. No matter what our vocation in life, we can all grow in generosity when we let things 'intrude' on our schedule and our privacy. When that happens we often come away a changed person and a more grateful child...of God!