

Visions of the Future

Financial and Gift Planning News for Friends of VNA & VNA Hospice

Optimize Your Assets and Make a Lasting Impact



Have you considered leaving the Visiting Nurse Association & Hospice Foundation in your estate plans but want to be sure you don't slight your family members in the process?

As you review your assets and determine where each should go, consider the amount your family members or chosen beneficiaries will actually receive. Oftentimes, a valuable asset is significantly reduced once taxes are paid on the asset.

Most assets passing to non-spousal family members at death are subject to an estate tax. These assets include items such as cash, stocks, bonds and real estate. Certain assets, however, are subject to two taxes – estate and income taxes. These assets include non-Roth IRAs and other similar retirement plans.

With federal estate tax rates beginning at 46 percent on amounts in excess of an individual's \$2 million estate tax

credit and a top federal income tax rate of 35 percent, the after tax amount passing from an IRA to a family member will often be only 30 cents on the dollar. If the IRA owner is a non-Florida resident, the IRA may be further reduced by state estate and income taxes.

If that same IRA were left to the VNA & Hospice Foundation, 100 percent of the IRA would pass to the Foundation because the Foundation is exempt from all taxes. All of your IRA money could then be used to provide quality home health and hospice care in our community.

By leaving your non-IRA assets to your family members, they should not be subject to income taxes on any part of their inheritance.

For more information about leaving your IRA to the VNA & Hospice Foundation or other planned giving options, contact Kerry Bartlett at (772) 978-5580 or by e-mail at kbartlett@vnac.com.

Today You Made a Difference

Tom, a 16-year Vero Beach resident and military veteran, was diagnosed with head and neck cancer. Extensive chemotherapy and radiation treatments were unable to halt the growth and stop the spread of the cancer. The cancer quickly infected his lower back, ribs, lungs and bones.

One year after his diagnosis, Tom enlisted the assistance of VNA Hospice. At first, VNA Hospice provided home hospice care because even though he did not have family members in the area to be caregivers, his fellow church members each took turns being his caregiver in his home.

However, once the cancer spread to Tom's bones, he began to experience severe pain, which required 24-hour nursing care.

As a result, he was taken to the VNA Hospice House where he was given pain treatment and a feeding tube for supplements and nutrition.

The church members came to visit him at the VNA Hospice House where he lived his final days in peace.

Tom was a charity care patient who experienced tranquility and dignity in the last chapter of his life due to generous supporters like you. By choosing to support the VNA & Hospice Foundation through a planned gift, you can ensure patients in need, just like Tom, receive the care they deserve. Your planned gift really can make a lasting impact.

This issue sponsored by: PNC Advisors

A Charitable Alternative to Post-Death Retirement Plan Distributions

If you have a sizeable estate, want to ease the tax burdens on your heirs and plan to leave a philanthropic legacy, transferring your retirement plan at death to a charitable remainder unitrust (CRUT) may be worth considering.



Kevin J. Grady
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A CRUT is an important estate-planning tool that passes income to one or more individuals for a specified period of time, such as the life of a beneficiary, after which the balance transfers tax-free to a qualified charity. A well-structured CRUT can help you achieve two goals: (1) support a charity that you hold dear, and (2) transfer wealth to your loved ones at the same time.

Receive an immediate estate tax deduction.

By making your retirement plan proceeds payable on your death to a CRUT, your estate may be able to take advantage of an immediate estate tax deduction for the percentage that

goes to a charity. For example, if you died in December 2006 with a CRUT specifying a 5 percent payout to your 65-year-old spouse and, assuming an applicable federal rate of 4.40 percent, your charitable estate tax deduction would be 46.55 percent of whatever amount is transferred to the trust.

Your beneficiaries pay less income tax on distributions.

Depending on the investment strategy employed, CRUT distributions may be taxed at a lower rate than ordinary income tax rates attributable to IRA and retirement plan distributions, which may save your beneficiaries thousands of dollars in tax payments.

In addition, CRUT payouts may be structured over a long period of time, thus extending the tax-deferral period for the beneficiary. In contrast, an IRA must adhere to strict RMD (required minimum distribution) rules,

which may not be as advantageous to a beneficiary because large distributions over a relatively short period of time may be required.

Whatever method you choose, it's clear that with proper planning you can protect more of the assets you've spent a lifetime accumulating.

For more information on charitable giving strategies, please contact Kevin Grady at (772) 231-5308 or e-mail at kevin.grady@pnc.com.



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Designating an IRA Beneficiary

If you wish to change the beneficiary of your IRA to the VNA & Hospice Foundation, you should call your IRA custodian and request a change of beneficiary form. Once received, you should list the beneficiary as VNA & Hospice Foundation, Inc. Our mailing address, if requested, is 1110 35th Lane, Vero Beach, FL 32960.

If you name the VNA & Hospice Foundation as your primary beneficiary, the Foundation will receive the IRA proceeds at your death under all circumstances.

If you name the VNA & Hospice Foundation as your contingent beneficiary, the Foundation will receive the IRA proceeds at your

death only if the primary beneficiary does not survive you. For example, if your spouse is your primary beneficiary and the VNA & Hospice Foundation is your contingent beneficiary, your IRA will pass to your spouse if he or she survives you, but if he or she does not survive you, your IRA will pass to the VNA & Hospice Foundation.

If you would like to name the VNA & Hospice Foundation as the beneficiary for only part of your IRA, you may want to consider opening a second IRA account that names the VNA & Hospice Foundation as the primary beneficiary. This second IRA would be funded with a partial transfer of assets from your

existing IRA. The existing IRA would typically remain entirely payable to your family members. Many persons find creating a second IRA easier than having a single IRA that sets out various percentages for the VNA & Hospice Foundation and family members. In addition, by having two separate IRAs you avoid the possibility of shortening some of the income tax deferral options that may be available to your family members.

For more information about leaving your IRA to the VNA & Hospice Foundation or other planned giving options, contact Kerry Bartlett at (772) 978-5580 or by e-mail at kbartlett@vnatc.com.

Profiles of Planned Giving: Jim and Judy Schorner

Jim Schorner grew up in Plainfield, N.J. He cultivated his interest in taxes and estate planning as an undergraduate student at Westminster College and eventually became a CPA. However, 1976 marked a year of change in estate tax laws, which inspired him to enroll in law school at the University of Pittsburgh.

It was during his tenure in law school that his parents moved to John's Island – a move enabling Jim to experience the benefits of the year-round warm weather first hand.

It was no surprise Jim asked his company to send him to Florida upon his law school graduation. He ended up in Miami, however, after three years, Jim decided it was time to move closer to his parents in Vero Beach.

Jim made the move to our community where he established his own company – Schorner & Associates. Here he was able to work with clients in estate planning, wills, trusts and taxes – a practice he continues today.

“Half the work I do is in wills and trusts and the other half is in individual tax planning and return preparation,” Jim said. “I enjoy the intersection of the two.”

As Jim watched his company grow and enjoyed the benefits of the tropical Florida climate, it seemed things couldn't get much better – but they would, thanks to a blind date.

Jim agreed to go on a blind date with a member of his church. The mystery woman was Judy, a new Vero Beach resident who grew up in Paris, Ky. on a tobacco

farm. She moved to Vero Beach with her two children to care for her father and worked as an accountant for Ven-Mar Irrigation.

After a series of dates that included bike rides and trips to the dinner theater, the two were married in September 1984.

Thereafter, the Schorners soon faced two incredible losses.



Jim and Judy Schorner

Judy's father was diagnosed with acute leukemia, which progressively worsened despite treatments. An advertisement in the newspaper prompted Judy to call on the services

of VNA Hospice to help her father during his life-limiting illness. The thoughtful care given to her father was a memory that stayed with her.

Three years later, Jim's mother was diagnosed with a blood-related cancer. “We immediately decided to go with VNA Hospice,” Judy said.

VNA Hospice, once again, provided support to the Schorners during this emotionally trying time – a service that enabled their parents' final wishes to be honored.

“The nurses were always very gentle, caring and loving,” Judy said. “And they were such a support for us as caregivers.”

As a way to remember and support the thoughtful care the VNA & VNA Hospice provided to Jim, Judy and their parents, the Schorners decided to include the VNA & Hospice Foundation in their estate plans.

“In putting together my estate plans, I decided to allot the amount of money I wanted to give to our children and do something important with the rest,” Jim said.

“When we pass on, we will no longer be able to contribute, so this is a way to continue to give.”

Today, Jim maintains his business while Judy volunteers with local charities. In their free time they play bridge, go on church missions and even run marathons – all the while knowing they have plans in place that will ensure families and individuals in need of the VNA & VNA Hospice will have that support available to them for years to come.

What is Planned Giving?

Planned giving is all about supporting your favorite causes with the thoughtfulness and foresight to include charitable organizations in your estate planning. A planned gift is simply a gift that is planned ahead of time and can range from a simple bequest to a complex charitable trust. Planned gifts are not only extremely important in funding the charitable efforts of nonprofit organizations, but can also be very beneficial to you, our donors, as well. To learn more about planned giving options call Kerry Bartlett, chief advancement officer, at (772) 978-5580.

Are You a Secret Nightingale?

Have you made the VNA & Hospice Foundation a beneficiary or contingent beneficiary of your IRA or have you included the VNA & Hospice Foundation in other parts of your estate plans? If you have



or are thinking about doing so, we would love to hear from you so that we can induct you into

our Nightingale Society where we recognize and celebrate our generous donors who choose to leave a legacy of care. Call Kerry Bartlett at (772) 978-5580 with any questions or to notify us of your intentions.

For more information, contact:



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Visions of the Future is published exclusively for friends of the VNA & Hospice Foundation, Inc. (our legal name).

The newsletter's purpose is to point out developments that may be helpful in your financial, estate and charitable giving. Please consult your attorney or financial advisor about the applicability to your own situation of the principles contained herein. 100% of the contributions received are retained by the VNA & Hospice Foundation, Inc. A copy of the official registration and financial information may be obtained from the Division of Consumer Services. Call toll free within the state: 1-800-HELP-FLA. Registration does not imply endorsement, approval or recommendation by the state. SC-03553. Please write us at our address if you wish to have your name removed from the mailing list to receive future fundraising requests supporting the VNA & Hospice Foundation.

Celebrating Our Legacy Donors.

Thank you for your caring support.



May marked the birth of our society's namesake, Florence Nightingale, and the Visiting Nurse Association & Hospice Foundation would like to take this opportunity to thank our Nightingale and Beacon Society

members and legacy donors who have remembered the VNA & Hospice Foundation in their estate plans.

Your generosity and foresight will provide home health and hospice care to all of those in need for years to come. The VNA thanks you for this commitment as we celebrate Florence Nightingale's 186th birthday.

For more information, contact:

Thank you for your sponsorship:



Charitable Gift Annuity Program



Give the gift that gives back!

Age of Annuitant	Gift Annuity Payment Rates
60 - 69	5.7 - 6.4 %
70 - 79	6.5 - 7.8 %
80 - 89	8.0 - 11.0 %
90+	11.3 %

Rates are subject to change. This information is of a general nature only.

For advice or assistance in specific cases, please consult an attorney or financial advisor.