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PLANNED GIVING



The Legacy of Hope Society

A FINANCIAL AND GIFT PLANNING NEWSLETTER FROM CATHOLIC CHARITIES OF THE ARCHDIOCESE OF CHICAGO



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The Legacy of Hope Society

June 2018

Dear Friends,

For 100 years, Catholic Charities has been extraordinarily blessed to carry out the Gospel mission to love and serve the poor in the Archdiocese of Chicago. Today our services are unmatched with the programs we offer and in the manner we provide them to anyone in need.

None of us achieves great things in life alone. We achieve them by working together with others. I am so grateful that you are part of our story.

As one of the kindhearted and generous people who support us, you are giving real and lasting hope to struggling families, innocent children, frail seniors, veterans, and others who come to us at the most vulnerable time in their lives. They are headed for something better, for you have sustained, stabilized, and improved their lives.

I am sending you this newsletter to share some of our recent accomplishments, and to suggest gifts that you can make now or later which have benefits for you and Catholic Charities.

Planned giving is visionary giving. When you plan a gift to us as part of your overall estate or financial plans, you play a vital part in our future. You are raising Catholic Charities to the level of friend or family member.

Thank you for your dedication to Catholic Charities and all we serve as we begin our second century of hope.

Sincerely,

Rev. Monsignor Michael M. Boland

ADMINISTRATOR, PRESIDENT, CEO
Catholic Charities of the Archdiocese Of Chicago



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CATHOLIC CHARITIES MISSION

Catholic Charities fulfills the Church's role in the mission of charity to anyone in need by providing compassionate, competent and professional services that strengthen and support individuals, families and communities based on the value and dignity of human life. To remain faithful to our mission, Catholic Charities is guided by these core values: *Respect, Compassion, Competence, and Stewardship.*



This past year we celebrated “A Century of Hope” and reaffirmed our commitment to the next century of helping those in need. Here are some accomplishments in our anniversary year as well as a few of our exciting projects on the horizon.

A Century of Hope

100TH ANNIVERSARY YEAR-IN-REVIEW

NEW SOUTH-SOUTHWEST OFFICE OPENED

As needs in the south and southwest suburbs increased, we relocated and expanded our service offerings and partnerships to a new location in Blue Island at the former St. Isidore School. Combined, the region serves 25,000 people each year.

RESPONDED TO NATURAL DISASTERS

When our brothers and sisters in Texas, Florida, Puerto Rico and Mexico experienced devastating natural disasters, we assisted in recovery efforts. Nearly \$500,000 was raised locally for these relief efforts and every dollar sent directly to the Catholic Charities agencies in the impacted areas. Locally, we served on the City of Chicago’s committee for the Hurricane Maria Puerto Rico Evacuee resource center in Humboldt Park.

WELCOMED THE STRANGER

This year brought much uncertainty for immigrants and refugees. We held more than 30 DACA and immigrant rights workshops in partnership with parishes throughout the Archdiocese. While many refugee resettlement agencies were reducing services or closing their doors, we remained committed to providing ongoing support to 400 refugees through our Refugee Resettlement Program housed at St. Thomas of Canterbury Parish in Chicago’s Uptown.

EXPANDED WEST SIDE PRESENCE

Already serving 30,000 people in Austin, we opened the Father Augustus Tolton Peace Center in

the former ABC Bank building in Austin at the end of 2017. This is a community resource center in partnership with Maryville Academy, neighborhood groups, and parishes with a focus on violence prevention and healing. The site is home to case management, public benefits screening, specialized therapy for victims of child abuse, youth employment programs, counseling for those who have lost a loved one to violence, parenting classes, housing assistance, domestic violence counseling, addiction treatment, anger management classes, and more. A garden open to all brings new green space and a peaceful reprieve to the area.

DEEPENED IMPACT IN ROUND LAKE

Needs are growing in Lake County, and this year we are breaking ground on a new facility on the campus of St. Joseph Parish in Round Lake. With an already established presence at the parish, our expanded services will include counseling; an evening supper program; social, recreational and educational opportunities for seniors; public benefits screenings; and a food pantry and clothing room.

ESTABLISHED POPE FRANCIS MINISTRIES

Each night, poor and homeless persons line up at our 721 N. LaSalle location downtown headquarters for food, clothing, and employment assistance. To emulate the example set by Pope Francis, we recently built showers and laundry facilities and remodeled the kitchen to better restore the hope and dignity of the persons we serve.



WIC Food Pantries



Senior Programs



Tuesday Night Supper Program

SHAPE OUR FUTURE WITH A BEQUEST

If you're like many of our supporters, you hold our mission close to your heart and want to keep supporting us. So often we hear our friends say, "I wish I could do more." You may wonder how much you can afford to part with today, when you have financial obligations to loved ones as well as your own needs to consider.

That's why planning a gift to us after your lifetime may be ideal. A bequest in your will or trust costs you nothing now; yet it gives you great joy and satisfaction in knowing that you are fulfilling our mission in the future. Your assets remain available to provide for you and your loved ones. You have the freedom to change your mind if your circumstances change.

SOME ADVANTAGES

- **EASY.** A few sentences in your will or trust complete the gift.
- **REVOCABLE.** Until your will or trust goes into effect, you are free to change your plans.
- **VERSATILE.** You can give a specific item or dollar amount, a percentage of your estate, or a gift contingent on certain events.
- **TAX-WISE.** Your estate is entitled to an unlimited estate tax charitable deduction for gifts to qualified charities.

To plan a bequest to Catholic Charities, inform your attorney of your wishes. Simply make three decisions before asking your attorney to add the legal language to your will or trust:

“A bequest in your will or trust costs you nothing now; yet it gives you great joy ... knowing that you are fulfilling our mission in the future.”

1. CHOOSE WHAT TO GIVE.

- A specific bequest gives us a particular piece of property or sum of money.
- A residuary bequest gives the “rest, residue and remainder” of your estate, or a percentage of the residue, after all other bequests, debts and taxes have been paid. This option ensures that your gift will remain proportionate to your estate size, no matter how it fluctuates over the years.
- A contingent bequest requires a certain event to occur before the

gift can happen. For example, you bequeath funds to a family member provided that person survives you; if not, the funds go to us.

2. DECIDE HOW YOU WANT US TO USE YOUR GIFT.

- An unrestricted bequest allows your gift to be used where needed most.
- A restricted bequest allows you to specify how we are to use the gift. We can provide you or your attorney with appropriate language.
- An endowed bequest allows you to restrict the principal of your gift so that we can only use a small portion each year, allowing the fund to last forever. You may restrict your endowment to a particular cause or purpose, or you can leave it unrestricted for our board to direct the annual portion to our most urgent needs.

3. DETERMINE IF YOU WANT TO PAY TRIBUTE TO SOMEONE WITH YOUR GIFT.

- Whatever you choose to give and how you would like your gift used, you can make your bequest in honor or in memory of someone special.



Peace Corner



Father Augustus Tolton Peace Center



Refugee Resettlement Dinner

IRA DISTRIBUTIONS AND THE NEW TAX LAW

The 2017 Tax Act brought the most significant income tax changes in more than 30 years, affecting tax brackets, the standard deduction, and assorted deductions and credits. You may find that the increased standard deduction will lower your tax bill more than itemizing would. Some experts predict that only 5% of us will itemize this year, so the tax deduction for donations will be lost for many people. This change has prompted more interest in IRA qualified charitable distributions.

If you are at least 70 ½ years of age, you have a way to receive a tax benefit for your donations while still claiming the standard deduction. You may give up to \$100,000 from your IRA directly to charities.

This “qualified charitable distribution” (QCD) has two advantages: it counts towards your required minimum distribution, and it is excluded from your income. Because you never receive the money, you will not pay taxes on it. Having a lower income may benefit you in several ways, such as reduced taxes on Social Security benefits or lowering your future Medicare premiums.

IMPORTANT DETAILS

- You must be at least 70 ½ on the date you make the gift.
- The distribution must be made directly from your traditional or Roth IRA to the charity.
- You may give any amount up to \$100,000 per year. (Spouses may each give up to \$100,000 from their own accounts.)
- You may not use the distribution to establish a charitable gift annuity or other life-income gift.

You can only make this gift from an IRA. However, you may be able to roll assets from a pension, profit sharing, 401 (k) or 403 (b) plan into an IRA and then make the transfer from the IRA directly to Catholic Charities. To determine if a rollover to an IRA is available for your plan, speak with your plan administrator.

We have a sample letter you can send to your IRA custodian to initiate a qualified charitable distribution. Download it from www.catholiccharities.net/planned_giving or request it from Margaret Hughes, Director of Individual & Planned Giving, at (312) 655-7012 or mhughes@catholiccharities.net.

Your gift will be used right away, and you can see the difference you are making.

FOR MORE INFORMATION

Margaret Hughes,
Director of Individual & Planned Giving,

(312) 655-7012

mhughes@catholiccharities.net

CHARITABLE GIFT ANNUITY: A GIFT THAT PAYS YOU

Are you looking for ways to use your current financial assets to plan for a secure and comfortable retirement?

Would you or a family member benefit from receiving annual payments that are guaranteed to never change?

Would you like to minimize the size of your taxable estate and possibly reduce estate taxes for your heirs?

If your answer is yes, then it may be worthwhile to consider a charitable gift annuity. A gift annuity is easy to set up. You transfer cash or securities to Catholic Charities. Catholic Charities pays you, or up to two annuitants you name, a lifetime annuity. The principal passes to Catholic Charities when the contract ends.

A gift annuity is a good way to meet both financial and charitable goals. You can be part of our charitable mission and put your values into action today while enjoying these benefits:

- **Earn attractive payment rates.** Rates are based on the annuitant's age at the time of the gift. The older the annuitant, the higher the rate.
- **Have peace of mind.** Payments are fixed and will continue for the rest of the annuitant's life. Your investment is backed by all the assets of Catholic Charities.

- **Lower your taxes.** A partial income tax charitable deduction is allowed in the year you make the gift, when you itemize. Part of each payment is tax-free throughout your estimated life expectancy. If you fund the annuity with appreciated securities, capital gains taxes are minimized.
- **Provide income for a loved one.** Payments can go to you or to someone else (55+). You make the gift and get the tax benefit, and the person you designate receives fixed payments for life. It can be a wonderful way to help a parent or a dear friend.

These options offer flexibility to help you plan for your future or take care of a loved one:

- A joint annuity can be a good way to provide payments to a surviving spouse. Many couples have created joint gift annuities that will pay as long as either of them lives.
- Any two people may establish an annuity contract together. They need not be related.
- A deferred annuity is one that is established now, but you set a later date to begin collecting payments, such as after retirement. You lock in the rate and get tax benefits now. Rates are higher for deferred annuities.

- You can have more than one charitable gift annuity. Many people establish multiple annuities with Catholic Charities.

CHARITABLE GIFT ANNUITY RATES ARE RISING JULY 1

Effective July 1, 2018, our charitable gift annuity rates will increase. The rates will be higher than they have been in over six years. This example shows the impact of the change:

Under our current rate schedule, Martha, age 74, transfers \$25,000 for a gift annuity. She will receive \$1,550 annually, a rate of 6.2%. If she waits to make the same gift on or after July 1, when we offer the new 6.8% rate for her age group, her payments will be \$1,675. That's a payout rate increase of 8.1%

REQUEST YOUR PERSONALIZED ILLUSTRATION

We are happy to discuss options, answer questions, and prepare a no-obligation proposal based on your situation. Your personalized illustration will include your potential income tax charitable deduction and our annual payments to you for life. Simply return the enclosed envelope or call (312) 655-7012 to speak to Margaret Hughes to get started. The minimum amount is \$10,000, and the minimum age at the start of payments is 55.

LEGACY OF HOPE SOCIETY

The Legacy of Hope Society honors those donors who have included us in their estate plans, through bequests, charitable gift annuities, charitable lead or remainder trusts, life insurance, retirement plan assets or other ways.

To help us plan our future work, we encourage you to notify us of your estate intentions. It would be our privilege to say thank you and show you first-hand some of the ways your gift will help those in need. We respect your wishes for participation, recognition or anonymity,

as you prefer. Any details of your gift that you choose to disclose are held in strictest confidence.

If you include us in your plans, please use our legal name and Federal Tax ID:

- **Legal Name:** Catholic Charities of the Archdiocese of Chicago
- **Address:** 721 N. LaSalle, Chicago, IL 60654
- **Federal Tax ID Number:** 36-2170821

To all of our members, thank you for your support.