



# TOP 5

## Estate Planning Myths

**THERE ARE MANY MISCONCEPTIONS ABOUT ESTATE PLANNING. HERE ARE THE SIMPLE FACTS BEHIND THE FICTION:**

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H 1 ESTATE PLANNING IS ONLY FOR THE WEALTHY.**

Everyone has an estate, regardless of his or her financial status. An estate comprises everything from savings and retirement accounts to jewelry and real estate. Ensuring that your life's work is passed to the next generation is an important step and enables you to improve the lives of the people and the charitable institutions that are important to you.

Furthermore, you are never too young to have an estate plan. Many choose to create or update their wills after a life event, such as marriage or the birth of a child, but any time is the right time to act.

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H 2 CREATING A LEGACY GIFT IS COMPLICATED.**

Making a legacy gift can be quite easy. Many people don't realize Flagler College can be named as a partial beneficiary (1-99 percent) of either a retirement plan or a life insurance policy. This can be done at no cost through the provider. Similarly, amending an existing will by adding a provision, or codicil, is a quick and inexpensive way to leave a bequest.

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H 3 PLANNED GIFTS DO NOT FIT INTO MY FINANCIAL STRATEGY.**

Legacy commitments like charitable gift annuities (CGAs) can bolster your retirement resources. CGAs offer substantial tax benefits and a secure, fixed lifetime income with some of the most favorable rates in the market today.

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H 4 ALL LEGACY GIFTS MUST BE MILLIONS OF DOLLARS TO MAKE A DIFFERENCE AT FC.**

Legacy gifts have a real and significant impact regardless of their size. In past years, the College has received gifts of \$1,000 to \$100,000 that have enriched students' lives by providing scholarships, academic programs, and new and enhanced facilities.

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H 5 ESTATE GIFTS ARE NOT AS IMPORTANT TO FLAGLER COLLEGE AS ANNUAL GIFTS.**

Organizations like Flagler College need both your current and future support to assure their long-term success.

As a legacy donor, you'll establish an enduring connection to the College by touching the lives of students you'll never meet. You may choose to support a program or department that has particular meaning to you or make an unrestricted gift that enables Flagler to address its most urgent needs. Either way, you join a special group of alumni, parents, and friends who have secured the College's future.





# QUESTIONS & ANSWERS

**Q** | Why are legacy gifts so important to the financial health of nonprofit institutions?

**A** | A legacy gift is, by definition, designed to provide future benefits. Legacy commitments enable a nonprofit, like Flagler College, to build a pipeline of vital financial resources. These gifts help guarantee the organization's long-range growth and allow donors to demonstrate their dedication not just in the present, but for decades to come.

**Q** | What is a CGA, and why are they so attractive right now?

**A** | A charitable gift annuity (CGA) enables you to donate cash or securities to a charity and, in exchange, receive a fixed annuity payment for life. Donors can also name a second beneficiary, often a spouse. All gifts qualify for an income tax deduction when they are established. And in the current economy, the annuity rates (established by the American Council on Gift Annuities) for CGAs are very favorable, generally in the range of 5-7 percent.

**Q** | What are the most popular types of legacy gifts?

**A** | The bequest is a classic legacy gift, and many people choose to make a bequest in their wills or trusts. Some give a percentage of an estate; others, a specific dollar amount; others, personal property, real estate, or artwork.

Another flexible option is a beneficiary designation in a retirement account or insurance plan. You can name a nonprofit whose mission you care deeply about, like Flagler College, as a partial, whole, or contingent beneficiary—and the charity's tax-exempt status will allow retirement assets to pass tax free to the organization, making this a particularly tax-wise gift.

## **Do you have an estate planning question?**

Please contact Nicole D. Pece, Director of Major and Planned Gifts, at 904-819-6406 or [NPece@flagler.edu](mailto:NPece@flagler.edu) for additional information.

Learn more at [www.flaglergiving.org](http://www.flaglergiving.org)

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