

LEGACY BUILDERS

PLANNED GIVING IDEAS FOR FRIENDS OF MARY BIRD PERKINS CANCER CENTER

Fall 2005
Volume VIII, Number 3

“I Want to Be One of Those Setting the Example, Encouraging Others to Give”

So how did a young boy who grew up on a poultry farm in Poplarville, MS, and delivered eggs in Washington Parish, develop an interest in radiation oncology?

“My mother was a medical records librarian. My father was well-educated, an agronomist, who worked for the federal government when my parents moved to Mississippi before I was born. My father went into farming because he liked being his own boss,” said Dr. Sheldon Johnson, a radiation oncologist at Mary Bird Perkins Cancer Center for the past 24 years, 15 of those years as its medical director. “In undergraduate school (University of New Orleans), I enjoyed the biological sciences. When I got to medical school (University of Mississippi, Jackson), I was drawn to that which I could see or imagine rather than that which I could not, such as biochemistry or pharmacology. Also, the personal contact with people afforded by clinical medicine was important to me.”

He chose to practice in Baton Rouge because it was in the south, close to home and a place he always thought of as an exotic “big city” as a youngster. “I like Baton Rouge,” Johnson said. “I like the people here. It’s a good community. I enjoy every patient I meet.” Explaining that he likes to spend at least an hour and a half getting to know about the patient from the start, he said, “I hear interesting stories and form wonderful relationships. You may not get to know some-

one that intimately even if they lived next door for 30 years.”

Johnson’s wife, Judi, whom he met at Mary Bird Perkins, is a radiation therapist. Radiation therapists operate the linear accelerators that deliver radiation to the patient according to the physician’s treatment plan. “I enjoy working with the patients, getting to see them every day,” she explained. “It’s wonderful when they have a positive attitude. I think it makes a difference.”



Dr. and Mrs. Johnson

When Dr. Johnson and Judi married almost 12 years ago, they were mindful of the importance of estate planning in light of their newly blended families. Aside from such things as advanced directives and powers of attorney, the Johnsons wanted to make a provision in their wills for Mary Bird Perkins Cancer Center. “It’s been my life,” stated Dr. Johnson. “As I’ve been around the country and talked to people who do what I do, I have never been envious. The structure of the Center, how it came to be created – there are so many ways in which it is unique. Judi and I believe it’s something that needs to continue.”

Dr. Johnson cautioned that one must be very thoughtful when considering leaving a portion of one’s estate to any organization. “You want the organization to be a good steward. You should agree with its mission and know the institution has a structure in place

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Retirement Distributions Need Careful Planning

The tax laws require owners of retirement accounts to begin receiving payments no later than the year after they turn 70½ years old. These distributions must be at certain minimum levels or else the taxpayer will be subject to a 50% penalty tax on any underpayment. Distributions taken before the taxpayer reaches age 59½ are subject to an additional 10% penalty tax.

Many retirees try to keep distributions as low as possible in order to maximize tax-deferred growth of their savings. Minimum distributions are based on an IRS table that assumes the owner and another individual ten years younger than the owner are jointly benefiting. If the owner's spouse is more than ten years younger, even more

favorable distribution tables may be used.

Note: You can take retirement funds out before age 59½, without the 10% penalty, if withdrawals are made in roughly equal payments, calculated over your life expectancy (or over your life expectancy and that of another person). Payments must continue for at least five years or until you reach age 59½, whichever takes longer.

Hidden Sources of Retirement Income

There are several ways to augment retirement income that may not have occurred to you.

■ Life insurance can often be converted into retirement income as a paid-up annuity. Or you can cash the policy and reinvest the proceeds to

provide retirement income. It's likely the original purpose you intended the policy to serve – family protection – is obsolete by age 65. It's probably wise to keep sufficient insurance to cover funeral and final medical expenses.

■ Post-retirement employment won't reduce your Social Security benefits if you are 65 or older; some reductions occur from ages 62 to 64 – check with your Social Security office.

Become Bolder with Investments

Some retirees put savings into the most conservative investments they can find (certificates of deposits, government bonds and the like) and then simply hope inflation doesn't come 'round their door.

A better plan may be to invest for some growth, while guarding safety of principal. Retirees in their 60s or early 70s might keep as much as half of their retirement funds in the stock market or stock mutual funds. About 10% should be CDs and money market funds and the rest in

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bond or bond mutual funds. Older retirees might move to a portfolio with 25 to 35% stocks, 50% bonds and the rest cash.

Your investments in the market should focus on stocks and mutual funds with relatively low risk: blue chip common stocks, preferred stocks, balanced funds and equity-income funds. Retirees in high-income tax brackets might consider municipal bond funds as part of their investment mix.

Increase Your Income with a Gift

A contribution to MBPCC Foundation can be attractive in retirement, providing tax savings as well as great personal satisfaction to you, the donor. A charitable remainder trust established after you retire can have special appeal as part of a retirement plan, because it can result in significant income and estate tax savings, while continuing to provide income for you or others.

Free Booklet!

Mary Bird Perkins Cancer Center Foundation has a new booklet, *Golden Opportunities*, that will be of great benefit to people who are retired or who expect to retire shortly. It illustrates ideas for maintaining, even improving, your financial security, and for dealing with planning concerns that arise as one grows older. Return the enclosed card for your complimentary copy.

Congress Expands Contribution Deduction for 2005

The Hurricane Katrina Tax Relief Act of 2005 improves incentives for donors to assist charities, even those not directly involved in disaster relief. Cash gifts made from August 28 to December 31, 2005, are not subject to the 50%-of-adjusted gross income limitations that normally apply. The charitable deduction is also not subject to the cutbacks that apply to certain high-income taxpayers. Generous donors who already have made 2005 gifts up to the 50% ceiling, or have carried over deductions from past years, now can give and deduct more through year's end.

The ceiling on corporate gifts (10% of taxable income) has been lifted for hurricane relief gift deductions only through December 31, 2005.

The new tax legislation may offer an opportunity to use IRAs or U.S. savings bonds for major gifts:

■ If you're over age 59½, you might take a withdrawal from an IRA to make the cash gift. You'll have to include the distribution in your gross income, but will be entitled to a charitable deduction for the full amount contributed.

■ Consider redeeming U.S. savings bonds and using the proceeds to make gifts. The income recognized on a redemption is subject to tax, but the charitable deduction will offset the tax owed.

Keep in mind that only cash gifts qualify and the gifts must be made to a publicly supported charity, such as Mary Bird Perkins Cancer Center or MBPCC Foundation, not a donor advised fund, private foundation or supporting organization. IRA withdrawals may have state income tax and alternative minimum tax consequences. In addition, a large withdrawal from an IRA could result in cutbacks in personal exemptions and itemized deductions. Consult your tax adviser before making any large gift.

The Johnsons

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where the money will be administered wisely. You want to give to an organization that will be there for a long time.”

Johnson described Baton Rouge as a community where many people give back, setting an example for others. “I want to be one of those setting the example, encouraging others to give,” he stated.

“Otherwise, I could have done it anonymously.” He explained that it is also his way of thanking people, like the volunteer coaches in the community, who were there for his children when he couldn’t be. “It’s my way of giving back to a lot of people who helped me and my family over the years.”

Johnson said the work continues. “Judi and I want our children to be able to tell their children that we did some good things here. We want our children and grandchildren to understand how important it is to give back.”

Legacy Builders

Legacy Builders is comprised of individuals who have made – or have notified Mary Bird Perkins Cancer Center Foundation of their intent to make – planned gifts through their estate plans. Donors who have made outright gifts of \$10,000 or more to the endowment or created endowed gifts for specific MBPCC programs are also recognized as Legacy Builders.

Through their generosity, the following individuals are helping MBPCC to remain steadfast in continuing its mission of providing the highest-quality, most state of the art treatment technology and compassionate support services to all patients and their families today and in years to come.

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