

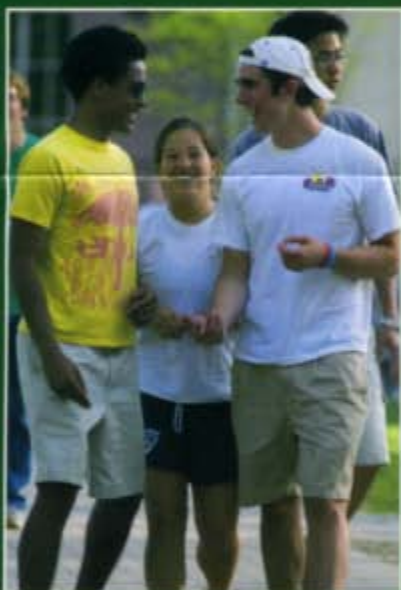
# INNER CIRCLE



ESTATE AND GIFT PLANNING INFORMATION FOR DEERFIELD ALUMNI/AE AND FRIENDS

## Hans Wurster Values and Supports Deerfield's Imaginative Development and Design

*"One good turn deserves another."*



**I**n the fall of 1953, Hans Wurster entered Deerfield. His roommate in Saxon Dorm was Joe Twichell. When it came time for

Thanksgiving vacation, Joe couldn't go home because he lived too far away, so that year, and the two following, Joe spent Thanksgiving in New Jersey with Hans and his family.

Hans came to Deerfield Academy after his freshman year in a southern New Jersey high school. He and his parents visited several preparatory schools in the Northeast, and his mother was impressed with Headmaster Frank Boyden. She wanted her son to experience his leadership before he retired. (Little did she know that Frank Boyden would continue on as headmaster of Deerfield Academy for more than a decade!)

After high school, Hans went on to college, became involved in work, got married and had a family. For years, he didn't give a lot of thought to Deerfield. At one point in the mid-90s, Hans and his wife Mary Jane, were planning to row in the Head of the Charles, the world's largest two-day regatta, which takes place during the fall in Boston.

Joe Twichell found out about it and invited them to stay with him—and the friendship was renewed.

Joe persuaded Hans to return to Deerfield for their 40th reunion, and since that visit, no one has had to twist Hans' arm to get him back to his alma mater. He returned for both the 45th and 50th reunions.

"Deerfield has a nurturing environment," Hans says. "It is a place of moral rectitude that stays with you." He values the discipline embraced by Deerfield Academy, including enforced study hall. Stretching his limits and engaging in activities that were not his strengths gave Hans self-confidence.

"Through debate, I learned I could speak and be heard," he says. "Through writing for school publications, I learned I could write. Through the Glee Club, I learned I could make music and enjoy it."

Over the past 50 years, Hans has been buoyed by the knowledge that any time he was confronted with a moral or ethical decision, he could ask himself, "What would Frank Boyden do or say about it?" and he would have the right answer.



BOYDEN SOCIETY

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## Experience the Benefits

Send for our brochure, *A New Use for Your Retirement Plan Assets*, that explains how you can take advantage of planning what happens to your retirement assets.

Simply return the enclosed reply card, and you will soon see the benefits that can be yours.

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## Your IRAs Are Worth More As a Charitable Gift

Leave your IRAs to your children or siblings or anyone other than your spouse, and you may be leaving them almost nothing!

Individual retirement accounts (IRAs) are excellent vehicles for accumulating assets for your use during retirement, but they are terrible for transferring wealth to others. Whoever inherits your IRAs may find them seriously depleted by taxes—unless the recipient is a charitable entity like Deerfield Academy.

### Tax Rules

Like other investments and savings, IRA assets may be subject to federal estate tax. What most people don't realize is that IRA distributions carry an income tax liability, too, which carries over to your designated beneficiaries. This double bite of income and estate taxes often leaves little for your heirs.

Only a surviving spouse can roll over an inherited IRA distribution to his or her own IRA, called a Spousal Rollover IRA, and further delay

receiving distributions until his or her own date for required distributions, typically age 70½. All other recipients are not eligible to roll over their proceeds and enjoy full tax deferral, although some may choose to stretch the distributions over time with payments beginning immediately.

### Preserve Your Assets

IRA transfers to Deerfield Academy after your lifetime avoid estate and income taxes. Estate planners often advise clients to consider a charitable bequest of IRA funds simply because an IRA is worth far more to a tax-exempt organization than it is to heirs, net of tax.

You can bequeath your surplus IRA funds to Deerfield Academy, preserving 100 percent of them to support our work rather than relinquishing a huge portion to taxes.

Your IRA plan administrator or tax advisor can assist you in arranging to name Deerfield Academy as the primary or secondary beneficiary of your IRAs.

### \$100,000 IRA Bequest to Heirs Versus Deerfield Academy

| Type of Gift   | \$100,000 IRA Heirs | \$100,000 IRA Deerfield Academy |
|--|---------------------|---------------------------------|
| Beneficiary  |                     |                                 |
| Federal Estate Tax<br>(Assumed 45 Percent Marginal Estate Tax Bracket) | (\$45,000)          | \$0                             |
| Net Amount Subject to Federal Income Tax                               | \$55,000            | \$0                             |
| Federal Income Tax<br>(Assumed 28 Percent Marginal Tax Bracket)        | (\$15,400)          | \$0                             |
| Net to IRA Beneficiary   | \$39,600            | \$100,000                       |

## Hans Wurster Values and Supports Deerfield's Imaginative Development and Design

*"One good turn deserves another."*

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Shortly before Hans' 50th reunion, two major events happened: Hans and his partners sold their Wisconsin cheese company, and soon thereafter he visited the building ("an old barn," he says) that housed Deerfield's crew program. Hans knew immediately that he'd like to help fund a new space for the rowing program. So he and Mary Jane made a proposal to the director of the crew program and to David Pond, Assistant Headmaster for

Alumni Affairs and Development. Both welcomed the idea, and, as Hans says, "The school made it happen."

On the occasion of his 50th reunion, Hans and Mary Jane named Deerfield as the beneficiary of an IRA, which was credited to the reunion campaign for the class of 1956.

"I support institutions that are proactive, that are imaginative in their development and design," Hans says. When he talks to and about

other nonprofits, Hans holds up Deerfield as a glowing example of what a school can and should be.



Hans and Mary Jane Wurster

## Tax-Saving Opportunity for Donors Aged 70 ½ or Older Expires Soon!

On Aug. 17, 2006, President Bush signed into law new tax incentives for charitable gifts from donors who are 70 ½ or older. The Pension Protection Act of 2006 encourages financial support of charitable organizations across the United States.

Under the law, you can make lifetime gifts using funds from your individual retirement accounts (IRAs) without undesirable tax effects. Previously you would have had to report any amount taken from your IRA as taxable income. You could then take a charitable deduction for the gift, but only up to 50 percent of your adjusted

gross income. In effect, this caused some donors to pay more in income taxes than they would have if they hadn't made a gift at all.

Fortunately, now these IRA gifts can be accomplished simply and without tax complications. Plus, you can make the gifts now—while you are living and able to witness the benefits of your generosity. But time is running out—this unique opportunity expires at the end of this year, so hurry!

You may contribute funds this way if:

- You are age 70 ½ or older
- The gifts total \$100,000 or less

- You make the gifts on or before Dec. 31, 2007
- You transfer funds directly from an IRA or Rollover IRA
- You transfer the gifts outright to one or more public charities, but not supporting organizations or donor advised funds

### How the New Law Works

Pat, aged 80, has \$450,000 in an IRA and has pledged to give Deerfield \$75,000 this year. If Pat

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## Tax-Saving Opportunity for Donors Aged 70 ½ or Older Expires Soon!

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transfers \$75,000 to Deerfield from the IRA, he will avoid paying income tax on that amount. He cannot, however, claim a charitable deduction—it is a pure wash. Pat has found an easy way to benefit Deerfield without tax complications. If Pat's spouse has an IRA and is 70 ½ or older, she can also give up to \$100,000 tax-free to a charitable organization.

### How to Make a Gift

Contact your IRA custodian soon to transfer your desired gift amount to a charitable organization.

### For More Information

It is wise to consult tax professionals if you are contemplating gifts under the new law. Please feel free to call Linda Minoff, Director of Planned Giving, with any questions.



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## Positive Deerfield Experience Drives the Daniels' Generosity

**W**as I homesick? Absolutely! But only for a few days."

Though Aaron Daniels '53 wasn't more than 25 miles from his childhood home in Holyoke, Mass., and had previously been away to camp, he still felt a short-term ache for home when he came to Deerfield as a 14-year-old freshman.

"It didn't last long, though," Aaron says. "My good friend Dick Towne came to Deerfield at the same time, and in a few days we were so engrossed in sports and schoolwork and the camaraderie of other boys that the homesickness was short-lived."

Aaron's stepfather knew Headmaster Frank Boyden and never considered another school for Aaron's high school education. Now, almost 60 years later, Aaron has only warm feelings for and wonderful memories of the school.

"Of course, the education was terrific," he says, "but even more enduring was the relationships with classmates who have remained friends over the years."

Nearly as important to Aaron as the friendships he established were the values that were instilled at Deerfield. Even the most mundane activities made an impression on more than one young man.

"Waiting on tables and helping harvest the town's potato crop was done by all students," Aaron says. "And the dress code was helpful; no one could tell by your attire whether your family had money or not.

"Also, good sportsmanship was taught and valued. It was important to win, but equally as important to lose graciously. We were told never to boo another team, and we never did. And when we knocked someone down on the playing field, we'd pick them up."

Knowing better than anyone how much he loves the school, Aaron's wife, Judy, endowed a scholarship in his name, with the intention of helping middle-income students who need financial aid to attend Deerfield.

Though Aaron also contributes to other organizations, it is not to the same degree, nor with as much feeling.

"I think I care more about Deerfield because I was there at such an impressionable age, and because it was such a positive experience," he says. Over the years, Aaron Daniels has contributed financially to Deerfield in a number of ways. In addition to regular gifts for annual support, he has established a Charitable Gift Annuity and has named Deerfield the beneficiary of an IRA.

"It is an easy gift to make," he says of the IRA. "I won't miss it during my lifetime, and the school can use it in any way it wishes." It's just another way in which Aaron Daniels gives back to Deerfield.



Aaron and Judy Daniels