A legacy for St. Lawrence County

Rock Charitable Fund an enduring gift to the region

In the small St. Lawrence County town of DePeyster, Marjorie Rock spent the early years of her life on her family’s farm. After graduating from high school in nearby Heuvelton, she took the path of helping others. Her pursuit of a career in nursing would blend teaching and military service. Rising to the rank of lieutenant colonel, she retired from Army service with honors. Over the course of time, she developed a deep passion for and interest in education and history. The church was an important part of her life.

She thoughtfully contemplated the canvas she would paint for her legacy. With time, the brushstrokes became more defined. While she had traveled the world, St. Lawrence County was always where her heart called home. She recognized that her love of history could be extended to help support the long-term preservation and appreciation of significant historic properties within the county. It was natural that she would have a desire to help make the lives of military veterans better. Marjorie passed away in 2017.

This year, and every year thereafter, her story will be told in the causes the Rock Charitable Fund will support. The fund’s charitable purpose has three focus areas: for the maintenance and preservation of churches and cemeteries in St. Lawrence County; for the preservation and maintenance of places of legitimate historical significance in the county; and to benefit and/or assist veterans of the United States military who live in St. Lawrence County. She has provided others with one type of legacy. The imprint you leave, the evidence of your time spent on this earth; legacies come in many forms. How have you touched the lives of others, who have shared your experience and wisdom with, how is the world different for you having been in it? Our legacies live in our children and grandchildren, our families and friends, students, colleagues and organizations. Within those legacies, our stories are told. What mattered to us? What defined us? How did we want our values perpetuated when we could no longer personally impart them?

Legacies need not be immense to be profound. What is left behind is not always monetary, although that is often an expression of our priorities, wishes and beliefs. What becomes of the things we have accumulated? Most likely, they are entrusted to our families, friends, charitable interests or a combination. Thoughtful charitable planning helps ensure that the IRS is last in line.


The Rock Charitable Fund is transformative for the region.
Her incredible generosity will have an enduring impact on the places and people of St. Lawrence County, forever.

See LEGACY on next page
CLIENT GIVING STRATEGIES

Through your Community Foundation ...

A wide range of giving is possible for your clients when you partner with the Community Foundation. Here are some questions donors often ask about the choices they have in personal philanthropy and giving when they partner with their advisors and the Northern New York Community Foundation.

- Can I create a fund that will continue my annual giving after my lifetime to my favorite charities or church, knowing if an organization ceases to exist, the fund is protected and can be repurposed?
- Can I establish a named fund that will allow my children and grandchildren to make community grants in perpetuity?
- Can my charitable legacy be directed to support a specific place — city, village, town or county? Can I further designate the type of things it will support within that geographic area, and name the fund?
- Can I establish a Charitable Gift Annuity with tax-deductible benefits that will provide me with guaranteed income (up to 8 percent) during my lifetime, and then the remainder can support my charitable interests or a specific Community Foundation fund after my death?
- Can I name the Community Foundation as the beneficiary of an IRA or life insurance policy either to broadly support the Community Foundation or a specific fund within the Foundation?
- Can I start a charitable fund at the Community Foundation to support my interests now and then endow it later as part of my estate planning?
- Can I create a scholarship fund for a specific school district or college, with certain criteria, or support some other aspect of my school or college like music, arts, athletics, library, reading, professional development?
- Can I make a gift of appreciated stock to start a Donor-Advised Fund, avoid capital gains, receive a tax deduction, and then make grants to charitable causes I recommend over time?
- Can I make a small gift that will make a BIG difference?

The answer to each of these questions is YES!

The best gift planning begins with a conversation. Contact Community Foundation Executive Director Rande Richardson, rande@nnycf.org, or 315-782-7110, to learn how you can tailor giving for your clients and their charitable interests.
C ongress has tried to eliminate the Stretch IRA for years and now they’ve finally done it. The Stretch IRA allowed a non-spouse beneficiary of an Individual Retirement Account to withdraw from the IRA during the beneficiary’s life expectancy, essentially stretching the benefit of the IRA into the next generation. The Stretch IRA was particularly useful if your clients wanted to leave their IRA benefits in trust for their heirs, to be professionally managed for the next generation.

In place of the Stretch IRA, the Setting Every Community Up for Retirement Enhancement, or SECURE Act, which went into effect Jan. 1, 2020, now requires all non-spouse beneficiaries to withdraw the entire balance from the inherited IRA within 10 years of the owner’s death. Any trust planning or attempts to stretch those benefits out over the life expectancy of the beneficiary are gone with the passing of the SECURE Act. Or are they?

Your clients can still provide security for their heirs, make their IRA last for years after they do, solve several estate planning problems, and benefit a charity. All they have to do is join the growing trend of naming a charitable trust as beneficiary of their traditional IRA. By the way, this solution is nothing new and has been around since the Tax Reform Act of 1969; but now that the Stretch IRA is gone, it has become one of the only viable options.

Let’s look at a case study. John Smith is a widower in his 80s who has a $1 million traditional IRA and several adult children. The children are in their 50s and 60s. John makes the Northern New York Community Foundation trustee and remainder beneficiary of three Charitable Remainder Trusts, or CRTs, which will provide income to his children for their respective lifetimes. After John dies, the CRTs are created and the CRTs receive the IRA funds. Then, each year, regular payments will be made to his children. However, unlike the inherited IRA distribution rules, the payments from the CRT can last for the beneficiary’s lifetime or for a term up to 20 years, i.e., longer than the 10-year mandatory payout under the SECURE Act. Also, the assets in the CRT are protected from creditors, which may not be the case for inherited retirement accounts. After the children pass away, the remainder in the trusts will go to the Northern New York Community Foundation for the charitable purposes designated by John when he created the trusts.

From a tax perspective, the trust isn’t taxed on either the distribution from the IRA or income and gains it earns. The children likely will owe taxes on distributions from the charitable remainder trust. The upside is that the charitable remainder trust can last much longer than the 10-year payout provisions contained in the SECURE Act. What this means is that for individuals wanting to extend the payout period, the charitable remainder trust becomes a practical vehicle to obtain all the benefits of the Stretch IRA and the additional incentive of benefitting a charity after the lifetime of their children.

A few points to consider include:

- Heirs will only receive an income stream and not a lump sum. If a lump sum payment to heirs is desired, a portion of the retirement account could be left directly to them.
- The charitable benefit should be emphasized with the family. Not only can this choice provide about the same or more benefit to the heirs assuming average life expectancies, but it should also provide a substantial amount to charity as well.

The Northern New York Community Foundation can work with you to consider your situation. Staff will understand the number of beneficiaries and their ages, the possible payment amounts and duration, and the plan for their charitable fund. They will design a plan, help with implementation in the client’s financial and estate plans, administer the CRT and steward the legacy fund for generations.

ANTHONY A. MARRONE II, a Syracuse native, is the founder and CEO of The Marrone Law Firm, P.C., a boutique firm with offices in Watertown, Syracuse, and Ithaca. He focuses his practice in the areas of New York elder law, Medicaid, trust and estates, guardianships, and special needs planning. Through his trusts and estates practice, Anthony helps families protect, preserve and efficiently transfer wealth. He uses the latest tax-savings strategies to avoid or minimize estate, gift and income taxes. When Anthony is not working he teaches an Estate Planning class at Syracuse University College of Law and spends time with his wife, Melissa, and their three boys, Vincent, Joseph, and Nino.
Help your clients by talking about charitable giving

Charitable giving and philanthropy is a very personal decision. You can help your clients realize their charitable giving objectives by listening for giving opportunities, explaining options and suggesting solutions. Raising the charitable giving question often is difficult, but it is an important part of providing complete financial planning and professional advice to your clients. Clients want help with their philanthropy. The following questions may help you to comfortably and effectively raise the subject of charitable giving with your clients.

**CHARITABLE GIVING QUESTIONS**
- Do you currently support any community groups or charitable organizations with volunteer time and/or money?
- What volunteering or giving experiences have you had, and what did you learn from them?
- Do you volunteer time or money to any charitable organizations or causes?
- Would you like to see more of your charitable efforts going towards a specific cause?
- Do you have a sense of gratitude or an appreciation for any charitable organization(s) or institutions that have made a difference in your life?
- Would you like to see your charitable contributions continue after you pass on?
- If you were to pass on tomorrow, what would you want to accomplish in terms of giving?
- Would you be interested in exploring ways to support your community or causes you care about, if you could still leave a substantial portion of your estate to your children?
- If your estate proves to be larger than the amount you plan to leave your children/grandchildren, would you consider investing the excess in charitable causes you care about?
- If you could redirect dollars that would otherwise go to income or estate taxes to invest in charitable causes of your choosing, would this interest you?
- If someone with expertise in this area could help you identify charities that are worthy of support, would you be interested in exploring some charitable giving options?

The experienced staff of the Northern New York Community Foundation is here to help in any way you or your client would require.