



# ideas



ALDEN  
SOCIETY

GIFT PLANNING NEWSLETTER

SPRING 2018

## *WPI Lens & Light Club Ignites Lifelong Passion*

John Schmidt '64 found his passion at WPI. He and a group of friends created an audio and visual-themed club at WPI to further explore what they learned in the classroom as electrical engineers. Fifty-four years later, Lens and Lights is still going strong. The experiences John had as a student ignited his passion for STEM fields and inspires him to give back to WPI.

For 36 years, John worked as a senior audio visual engineer for ABC. He spent most of his career designing, installing, repairing,

and using professional audio and video equipment. John commuted an hour and 30 minutes each day, but never regretted the work he was fortunate to do. He retired from ABC in 2013, but hasn't hung up his hat yet. He continues to work part-time as chief engineer for two local radio stations. Listening is his specialty—he can troubleshoot audio problems, particularly subtle ones, just by sound.

John credits WPI with his successful career and appreciates that he has had the opportunity to give back. "Making a planned

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“Making a planned gift through my estate to WPI was the perfect way to combine my passion for STEM education and philanthropy.”

— JOHN SCHMIDT '64

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gift through my estate to WPI was the perfect way to combine my passion for STEM education and philanthropy,” he says. “I credit WPI with a large portion of my personal and professional success and by establishing an endowed fund for WPI’s STEM Education Center, I am able to ensure that students in underrepresented locales and populations have an opportunity to share my passion, receive guidance, and pursue an education in STEM fields.”

John became a member of the Alden Society in May 2014 when he informed WPI that it was a beneficiary of his will. With his bequest, John will establish the John H. Schmidt '64 Endowed Fund for STEM Education. John has also been a loyal supporter of the WPI Fund, giving generously every year for the last 35 years.

Always a music lover, John has been able to combine his appreciation for music with his expertise in audio engineering. He has a special place in his heart for the steelpan, a drum that originates from Trinidad. John enjoys being involved in “pan” behind the scenes—he supports pan groups working with their equipment, organizing rehearsals, and transporting musicians to rehearsals and gigs. His career in the audio-world also

enabled him to record the steelpan. John could listen to this music day and night.

John credits WPI with giving him a place to explore his passion for audio and visual technology, which provided a foundation for him to discover and fulfill his professional, personal, and philanthropic goals throughout his life.



# How will the new tax law affect you and your charitable giving?

The new tax law became effective on January 1, 2018. Of the numerous changes, the two most directly affecting charitable gifts are:

the increase in the standard deduction (\$12,000 for singles, \$24,000 for married couples filing jointly); and

elimination or restriction of numerous itemized deductions (though the charitable deduction remains intact).

Both of the above will increase the number of individuals claiming the standard deduction, and thus reduce the number of itemizers who can take an income tax charitable deduction. Although if you live in a state with high income and property taxes and you have a mortgage you could find that you still itemize.

Even if you won't itemize, here are some strategies to make lifetime gifts to WPI and still receive tax benefits:

- **Make gifts of appreciated property such as publicly-traded securities to WPI.** Even if you don't itemize, you will still be able to avoid capital gain tax by making a gift of appreciated assets owned by you for at least one year.

- **Make gifts to WPI using the charitable IRA rollover.** If you are over 70½ you can make a direct transfer from your traditional IRA or Roth IRA to WPI of up to \$100,000. Such a transfer is not taxable and counts towards satisfying your required minimum distribution.
- **Make larger gifts to WPI.** If your total non-charitable deductions are close to equaling the standard deduction, a larger charitable gift may increase your total deductions enough that it makes sense for you to itemize; the additional tax savings that itemizing offers may reduce the effective cost of your gift.
- **Make a gift to WPI from all or a portion of what's left in your retirement plan.** Assets in your IRA, 401(k), or other qualified retirement plan may be subject to income tax when distributed to heirs. Making WPI a beneficiary of a portion or all of your retirement plan will avoid the income tax that might otherwise be due from your heirs. This is an extremely tax efficient way for you to make gifts to WPI that costs your heirs less than giving other kinds of assets.

As with any change, you should contact your accountant or financial planner to understand how the new tax law will affect your individual tax situation.



Contact our planned giving office for information on gift strategies that can help you support WPI and provide significant benefits to you and your family.

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## ALDEN SOCIETY

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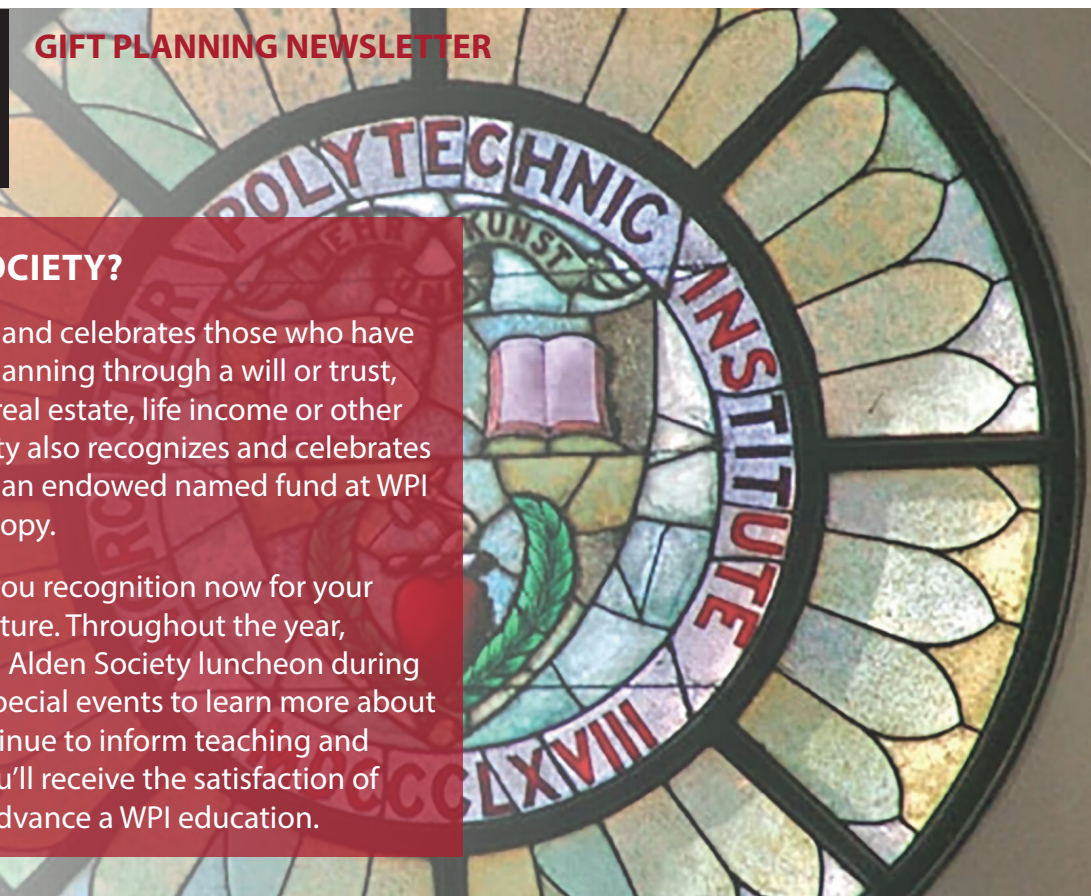
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## WHAT IS THE ALDEN SOCIETY?

The Alden Society recognizes and celebrates those who have included WPI in their estate planning through a will or trust, IRA or other retirement plan, real estate, life income or other planned gift. The Alden Society also recognizes and celebrates individuals who have created an endowed named fund at WPI through any type of philanthropy.

Membership is about giving you recognition now for your plans to support WPI in the future. Throughout the year, you'll be invited to the annual Alden Society luncheon during Alumni Weekend and other special events to learn more about how theory and practice continue to inform teaching and research at WPI. Best of all, you'll receive the satisfaction of knowing you are helping to advance a WPI education.



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