

GIVING USING A BENEFICIARY DESIGNATION. EASY FOR YOU. FAVORABLE FOR YOUR HEIRS.



A key part of your planning

Using a beneficiary designation to make a gift is often overlooked, and potentially can result in more of your assets going to your heirs. As with other BSW Dallas Foundation loyal supporters, the uncertainty of how much you may need in retirement might make you reluctant to part with assets now that you may need later. It's understandable. Here is "why" and "how" using a beneficiary designation may work for you, your loved ones, and for BSW Dallas Foundation.

Your will or living trust - only part of the picture

The distribution of assets passing through your probate estate is determined by your will. If you have a living trust, it only distributes assets owned by the trust. You likely own many assets whose distribution is not controlled by your will or living trust. These assets will pass to your heirs or others you have named as beneficiaries in documents other than your will or living trust. You may have more assets that will pass through beneficiary designations than will pass under your will or living trust.

Your beneficiary designation controls who gets these assets

- Retirement accounts - IRA, 401(k), 403(b)
- Life Insurance Policy
- Bank accounts
- Investment Accounts at brokerage companies
- Commercial Annuity Contracts

Taxes can reduce what heirs receive

In most cases, you have never paid income taxes on assets you contributed to retirement accounts such as IRAs, 401(k)s, and 403(b)s. If you name your heirs as beneficiaries of these accounts, the IRS will require that they pay income taxes when they withdraw the assets. Depending on the size of your estate these accounts may be further depleted by even more taxes. BSW Dallas Foundation is tax-exempt. Therefore, if you name BSW Dallas Foundation as the beneficiary you can use the full value of the accounts to advance our mission. Leaving other assets to your heirs will allow them to keep more of your assets.

Your next steps

- Consult your professional advisors on how this strategy will impact your overall estate plan.
- Obtain the beneficiary designation forms from account administrators (or online if available)
- Return the completed forms to the administrators.

We are here to assist

If you have questions please contact our Office of Planned Giving at 214-820-3136, or by sending an email to Craig.Foster@BSWHealth.org.