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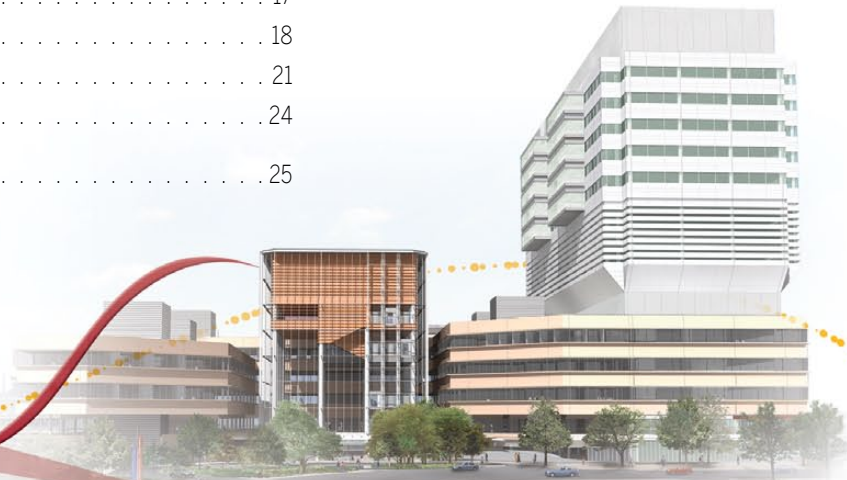
Hope

**PLANNED GIVING
OPPORTUNITIES**



**UNIVERSITY OF
PENNSYLVANIA**
Abramson Cancer Center

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An *Opportunity* to Make a *Difference*

This is a critical time for cancer research and care. And it's your time to make a difference.

The future of the Abramson Cancer Center depends on your goodwill. We offer a myriad of planned giving options, each with its own set of benefits. In many cases, the giving option you choose will be motivated by tax savings; in some cases, the specific asset being considered for a donation will determine the structure of your gift and the benefits it generates.

Planned giving offers you the opportunity to make a lasting difference in the lives of others. Thanks to generous planned giving efforts, the Abramson Cancer Center has been able to set and uphold today's highest standards of research and patient care. With your help, we can ensure that these efforts continue.

Bequests

A bequest is a gift made in a will or living trust. Bequests can be made in the form of a specific gift of cash or property, or a percentage of the remainder of an estate or trust. The full amount of a bequest is usually deductible for estate tax purposes.

It is not necessary to rewrite an entire will in order to name an additional beneficiary. A simple codicil can often accomplish the same objective:

"I hereby give, devise, and bequeath to the Trustees of the University of Pennsylvania, a nonprofit corporation organized and operating under the laws of the Commonwealth of Pennsylvania and located in Philadelphia, Pennsylvania, the sum of \$_____ (or percentage of your estate or specific description of the gift) to be used by Penn Medicine to support the Abramson Cancer Center."

A CONTRIBUTION TO AN ONGOING FIGHT

"Immediately upon being apprised of my cancer diagnosis, my partner John and I explored cancer centers across the country to identify the best treatment center and quickly learned that all roads lead to Penn's Abramson Cancer Center. We are forever indebted to the brilliant medical professionals for their impeccable care, compassion, and support. Consequently, in our estate planning, we were proud to name the Abramson Cancer Center as a beneficiary. We find solace in knowing that our gift will assist other cancer patients by supporting the Abramson Cancer Center in its efforts to advance leading-edge research; provide the absolute best cancer care; and ultimately, eradicate cancer as a source of human disease and suffering."



DAVID WOLFE



"We are so pleased to support Penn's Abramson Cancer Center with the planned gift of a bequest because it's our way to leave a lasting legacy for all of the brilliant and compassionate staff who have helped us over the years. It is comforting to know that our support will continue to bring hope to people who are affected by cancer and will contribute to the fight against cancer long after we are gone."

ROSE & PAUL ASTOR

KEEPING QUALITY OF CARE IN MIND

Sandy and Steven Cozen made a generous gift to the Ruth and Raymond Perelman Center for Advanced Medicine, the home of the Abramson Cancer Center.

Along with Steven's business partner and friend Patrick O'Connor and his wife Marie, the Cozens named a Patient and Family Lounge in the new-state-of-the-art building designed with every aspect of patient comfort, convenience, and quality of care in mind.

"As an attorney, I have seen many charitable giving vehicles and the benefits they present to the donors who utilize them. Discussing planned giving with your attorney and accountant is an important part of ongoing financial planning. The Abramson Cancer Center is a wonderful organization to support with a planned gift, as it ensures they will have resources to continue their lifesaving research and patient care into the future."



SANDY & STEVE COZEN

Charitable Gift Annuities/ Deferred Charitable Gift Annuities

A **charitable gift annuity** is a contract between the Abramson Cancer Center and the donor. The donor receives a current income tax deduction and a lifetime annuity payment, which begins right away. When the annuity terminates, the remaining funds go to the Abramson Cancer Center program you designate. A portion of each payment is treated by the IRS as the nontaxable return of your principal while another portion is taxed as a capital gain if appreciated assets are contributed. The balance is taxed as ordinary income. A charitable gift annuity may have one or two income beneficiaries (which need not include the donor), and may be established with cash or securities.

A **deferred charitable gift annuity** is a contract between the Abramson Cancer Center and the donor. The donor receives a current income tax deduction and a lifetime annuity payment, which begins on a future date chosen by the donor. A longer delay between the creation of a deferred annuity and the commencement of payments results in a higher annuity rate and a larger income tax deduction. Some donors view this as an attractive addition to their retirement plan.

Charitable Remainder Trusts

A charitable remainder trust is set up to provide donors or other beneficiaries with income for life or a set amount of time (the payout rate is determined by federal tax law and the donor). At the conclusion of the trust's term, the remainder of the trust assets are distributed to the Abramson Cancer Center.

A charitable remainder trust is an efficient planned giving option if you are holding assets that have experienced significant appreciation, including real estate, stocks, etc. Charitable trusts can be especially beneficial if you have highly appreciated assets with limited income-producing potential.

A SOLID WAY TO INVEST IN AN IMPORTANT CAUSE

As a breast cancer survivor, Elaine Merians, as well as other women in her family, has utilized the expert care available at the Abramson Cancer Center, including genetic counseling. In 2003, Elaine and her husband Melvin used a charitable remainder trust to support a research program within the Department of Radiation Oncology.

"I got to support the physician who treated me," said Elaine, "and at the same time receive an income from the gift."

A University of Pennsylvania alum, the late Melvin Merians was confident in Penn's ability to manage his and Elaine's charitable remainder trust. He was also enthusiastic to give back to the place that helped him discover his passions as a young man and helped his wife beat breast cancer later in life.

"Penn has a great charitable remainder trust program," Melvin said. "It's well-managed, easy to use, and a solid way to give. You not only get an income, but you support a very important cause."



ELAINE & THE LATE MELVIN MERIANS

STAYING AT THE FOREFRONT OF CANCER CARE

Inez and Barry Wade's support of the Abramson Cancer Center began 20 years ago during Inez's brother Stanley's brief yet valiant battle with Acute Myeloid Leukemia. While Stanley's team of physicians aggressively tackled his disease with all that was at their disposal, it became clear to Inez that research support was needed to truly advance treatment options for AML.

"Upon my brother's death, I was determined to do whatever I could to help treat and eradicate cancer. I decided to establish an endowment in autologous bone marrow treatment. My husband and I will continue to support the institution to the fullest of our family's abilities."

INEZ & BARRY WADE



Dan Keating and his wife Sarah were the first donors to the Perelman Center for Advanced Medicine, the new home of the Abramson Cancer Center, to help improve cancer care in Philadelphia. Their leadership was also demonstrated by a gift to the John H. Glick, M.D. Abramson Cancer Center Director's Professorship.

"There is no better place than Penn Medicine to make a meaningful impact on the fight against cancer. Planned gifts ensure that the Abramson Cancer Center will have the resources necessary for generations to come."

SARAH & DANIEL J. KEATING, III

Charitable Lead Trusts

A charitable lead trust holds income-producing assets for a fixed term, during which payments are made to one or more charities. At the conclusion of the term, the assets are returned to the donor or to another beneficiary.

NONGRANTOR LEAD TRUST

In a **nongrantor lead trust**, trust assets are transferred at the end of the trust term to the beneficiaries named by the donor. There is no income tax charitable deduction for nongrantor lead trusts, but there are significant estate and gift tax benefits. Trust assets are valued as of the date the lead trust is established rather than when they are ultimately distributed, so any appreciation escapes gift tax.

GRANTOR LEAD TRUST

In a **grantor lead trust**, trust assets revert to the donor at the end of the trust term. The donor is entitled to an income tax deduction in the year that the gift is made, based on the fair market value of the assets, the term of the trust, the payout rate, and certain investment assumptions. This type of trust is useful if a donor receives an unusually large payment in one year (a bonus, for example).

Retirement Assets

Qualified retirement plan assets are subject to multiple levels of taxation. First, such assets are subject to federal income tax as they are distributed to the plan participant or his/her beneficiaries. Second, failure to take the required minimum distribution after age 70½ results in a 50% tax on the undistributed amount. Third, at the death of the plan participant, any remaining assets are included in calculating the gross estate. Fourth, generation-skipping tax may apply to substantial retirement plan assets that pass to grandchildren or to other remote generations.

Careful planning for the distribution of retirement plan assets can help to avoid undesirable and unnecessary tax costs. Naming the Abramson Cancer Center as the beneficiary of a retirement plan will reduce the size of the taxable estate and avoid subjecting the estate or beneficiaries to income taxation on those assets.

This is an excellent way to make a significant contribution to the Abramson Cancer Center at a very low cost, as the Abramson Cancer Center is able to avoid both income and estate taxes on the distribution.

Note: A simple form from the manager of the retirement fund is normally all that is required to name a charitable institution as a beneficiary.



WAYS TO GIVE BACK TO YOUR COMMUNITY

"As a financial planner, I work with people who are seeking ways to give back to their community. Estate planning is a wonderful way to leave a lasting legacy to a charity that has made an impact on your life, and at the same time receive a tax benefit."

"My wife Heather passed away at a young age from lung cancer, and it is important to me to honor her memory by supporting lung cancer research and patient care. Your retirement plans and current life insurance policies can be effective giving tools...and it makes me feel good that I can be part of the solution."

BRAD SALER



"My husband and I decided to donate to the Abramson Cancer Center, hoping our contribution can benefit ongoing research and in turn help others to survive their cancer. Naming Penn as a beneficiary for your retirement assets not only reduces the size of your taxable estate, it also serves the good of mankind."

MARY & RICHARD LAU

BUILDING UPON AN ONGOING COMMITMENT

By naming the Abramson Cancer Center the beneficiary of a substantial life insurance policy, Barbara and Leonard Sylk were able to build upon their ongoing commitment to the Abramson Cancer Center and the legacy they have already established. Their generous planned gift represents the Sylks' continued leadership in strengthening the Abramson Cancer Center's outreach and patient care efforts.



"Our association with this world-class cancer center and the entire medical complex at Penn has afforded us a comfort level and feeling of satisfaction that cannot be duplicated. We are pleased to be a part of their current research, and future success in the eradication of cancer."

BARBARA & LEONARD SYLK

Life Insurance

A donor may become entitled to a federal income tax charitable deduction by making a gift of life insurance in two ways:

1. Donating a fully paid-up life insurance policy, naming the Abramson Cancer Center as irrevocable owner. This gift entitles the donor to a charitable deduction for the cash surrender value of the policy.
2. Naming the Abramson Cancer Center as beneficiary on an existing policy. The donor does not receive a charitable deduction, but has made a charitable provision for the Abramson Cancer Center.

Real Estate

A gift of real estate can be structured to meet your estate planning, retirement income, and lifestyle needs—and can be one of the most tax-wise ways to support the Abramson Cancer Center. Real estate gifts can be made in the form of undeveloped property, a personal residence or farm, vacation home, rental property, or commercial property. Gifts of real estate can result in many benefits to you, including:

1. Using your property to make a gift that pays you income;
2. Giving your property to the Abramson Cancer Center, but retaining the right to live in it for a period of years or the rest of your life;
3. Minimizing capital gains tax, and future estate and inheritance tax; and
4. Qualifying for a charitable deduction for your gift and supporting the Abramson Cancer Center.



REDUCING EXPENSES & TAXES WHILE SUPPORTING A SPECIFIC AREA OF INTEREST

Gifts of real estate can be beneficial both to a charitable institution being supported and to the individual or estate making the gift. A home or other property can be given as a gift and thus taken out of one's taxable estate portfolio. The donor or estate receives a federal income tax deduction for the appraised value of the property,

even if the charity sells it for less. Real estate gifts are a great way to support a cause while relieving some tax liability.

"As a real estate professional, I've seen properties given to and then sold by nonprofits. It's a great way to support Penn's Abramson Cancer Center—a cause near and dear to our hearts."

LORETTA & KEN SCHATZ

ENHANCING THE PATIENT CARE EXPERIENCE

Bob O'Boyle, a teacher and artist, has been battling breast cancer for over a decade, and more recently prostate cancer. Bob remains positive and grateful for finding the Abramson Cancer Center for his care.

"It was a motivating atmosphere. Everyone coming together, treating patients with dignity. There is a wonderful philosophy at Penn where medicine is mixed with the heart, and I wanted to give back in some way. By donating a painting to the Rena Rowan Breast Center, I hope that patients can find inspiration and warmth to help get through their treatments."

CARRIE & BOB O'BOYLE



Following the death of their brother Adam, Andrew Kaplan and Amy Parmenter were cleaning out Adam's apartment and began boxing his many, many books. It occurred to the Kaplan family that these books would make an excellent donation to the Abramson Cancer Center. This generous gift has served to enhance the Abramson Cancer Center patient care experience and provides an outstanding library for patients and their families.

THE KAPLAN FAMILY



Tangible Personal Property

Artwork and other tangible property (stamp or other collections, rare books, etc.) are often given to the Abramson Cancer Center. The donor's deduction is the fair market value of the item at the time of donation, as established by an independent appraisal secured by the donor. In order for the value of the property to be fully deductible, it must have been held by the donor for more than one year and be used by the Abramson Cancer Center in a manner related to its mission.

Note: The Abramson Cancer Center carefully examines each piece of tangible personal property prior to accepting it as a gift.

Appreciated Securities

A donor is entitled to an income tax deduction for the full fair market value of a gift of appreciated securities, up to 30% of the donor's adjusted gross income (like cash gifts, the deduction can be carried forward if necessary). To be fully deductible, the gifted securities must have been held for more than one year. The value of the gift is the average of the high and low trading prices at the close of the market on the date of the stock transfer to the Abramson Cancer Center.

A transfer of stock to the Abramson Cancer Center can be accomplished in at least two ways. If the stock is in a brokerage account, a letter from the donor to the broker is usually sufficient to authorize a transfer of shares into Penn's account and Penn's Treasurer's Office can help with this. If the donor holds certificates, it is best if the donor mails to Penn's Treasurer's Office, in separate envelopes, (1) the unendorsed certificates and (2) an executed stock power form authorizing transfer of ownership from the donor to Penn.

Note: If a donor wishes to maintain stock holdings in a specific company, he/she can give appreciated shares to the Abramson Cancer Center and then purchase the same number of shares with cash, thus establishing a new, higher cost basis.



GIVING IN A WAY THAT WORKS FOR YOU

"My wife Elizabeth and I are committed to supporting melanoma research, patient care, and education at the Abramson Cancer Center. It is important to do so in a way that works for us. We have been making our gifts through appreciated securities, which is beneficial in avoiding capital gains tax and helps us to maximize our giving to an area that is near and dear to our hearts."

ELIZABETH & GEORGE GRAHAM

ENHANCING THE PATIENT CARE EXPERIENCE

Esther and Marc Kaplin utilize a donor advised fund to support the Perelman Center for Advanced Medicine as well as Penn's Stress Management Program.

"We have been fortunate in life to be in a position to give back to the community and the many organizations that have made an impact on our lives. We wanted a vehicle that would help us support the charities that are meaningful to us, but in an efficient way. Utilizing a donor advised fund helps us continue our love for philanthropy, but still remain flexible with our contributions."

ESTHER & MARC KAPLIN



Penn Donor Advised Fund

Designed to help you more effectively manage your charitable donation, the Penn Donor Advised Fund provides a variety of administrative conveniences, cost savings, and tax advantages. A Penn Donor Advised Fund works in the following fashion:

- You make a deductible gift of \$500,000 or more in cash, securities, or property to the Abramson Cancer Center, and we establish a donor advised fund in your name.
- You recommend distributions from your donor advised fund for the Abramson Cancer Center programs as well as to other charitable organizations.
- At least 5% of your donor advised fund must be distributed annually with at least 50% of the fund designated to Penn over time.
- You have unlimited grant recommendations per quarter (\$2,500 minimum per grant).

The benefits of a donor advised fund include:

- You have the flexibility of one source for your charitable giving, without the costs and administrative obligations of a private foundation.
- You receive verification for tax purposes of contributions you make to your donor advised fund, and regular summaries of the distributions your fund has made.
- Contributions are more tax-advantageous than those to private foundations.
- Penn currently waives administrative fees.

A Common Tie A Common Hope

The ties that bring family and friends together as they support a loved one dealing with cancer are the same as those that connect all of us at the Abramson Cancer Center as we continue to dedicate ourselves to one purpose—the eradication of cancer as a cause of human disease and suffering.

Without the ongoing support of countless individuals, the continuation of this mission would not be possible. With this in mind, the Abramson Cancer Center asks you to consider planned giving as a way of contributing toward both our future and the future of all those who have been and will be touched by cancer.

"I wanted to make a gift to an institution that I felt connected to and that was conducting promising research in the battle against cancer. A planned gift made sense for my financial portfolio and created a good return on investment and tax relief, which allowed me to make my gift to the Abramson Cancer Center and support a worthy cause."

ANONYMOUS

THE FUTURE OF CANCER CARE STARTS HERE

Year after year, the Abramson Cancer Center distinguishes itself as a national leader in cancer research, care, and education. With every advance we make, with every person we serve, we are helping establish a future with more treatment options than ever before. More important, we are bringing the world one step closer to a cure.

With this future comes many new challenges in terms of the support needed for research and patient care programs, facility development, and the evolution of equipment and technologies. Through your generosity, the Abramson Cancer Center can continue to work relentlessly toward improving the prevention, diagnosis, and treatment of cancer. Through this same generosity, we can all look with hope toward a world free from the pain and suffering caused by this devastating disease.

We thank you for your support.

Medical Legacy Circle

The Medical Legacy Circle pays tribute to our alumni and friends committed to the advancement of medical education, research, and patient care, and to the role of Penn Medicine in the history and progress of medicine and the medical profession.

We are most grateful to the members of the Medical Legacy Circle who generously support the future of Penn Medicine and the Abramson Cancer Center through their financial and estate planning.

Glossary of Taxes

Income Tax: A tax on "ordinary income" (for example, wages and interest). Federal, state, and local agencies can levy income taxes.

Capital Gains Tax: A tax on the profit resulting from the sale of a "capital asset" (for example, stocks and bonds). Federal, state, and local agencies can levy capital gains taxes.

Gift Tax: A tax on gifts totaling more than the annual exclusion amount to any individual. Gifts to the donor's spouse and payments made to an educational or medical institution for services provided to an individual are exempt.

Estate Tax: A tax on a deceased individual's estate. The estate encompasses all assets owned by the individual, including personal property, proceeds from retirement plans, life insurance policies, and interests in jointly held property.

Generation-Skipping Transfer Tax: A tax on transfers (by gift or through the estate) to individuals in the generation of the donor's grandchildren or lower. The tax is levied in addition to the estate tax.

The material covered within is not intended as legal or tax advice. The Abramson Cancer Center urges you to seek the advice of your tax advisor, attorney, and/or financial planner to make certain that your planned gift is a good match for your circumstances and goals.



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