

*Be thou diligent to know the state of thy flocks, and look well to thy herds. For riches are not for ever:
and doth the crown endure to every generation? Proverbs 27:23-24*

In the spirit of this passage, let me ask you a question.

DO YOU HAVE A HOUSEHOLD INVENTORY?

As we start a new year, this is something you may want to consider.

You have hundreds of personal property items in your home or apartment. Most items subject to loss by fire, theft, or vandalism are covered by your insurance policy. But if they were missing or damaged, could you provide your insurance company with a complete inventory and accurate estimated values?

You've heard it before, but let this be a gentle reminder: Make an inventory of the contents of your home, particularly of your most valuable possessions. Do it now. Even if you have insurance on your home's contents, filing a claim can be difficult without an accurate inventory at hand.

You may acquire an inventory form from your insurance agent or a store that sells safes and smoke alarms. Or you may simply make a listing.

It's also a good idea to take photographs of room settings and your more expensive or unique possessions, such as china, works of art, and antique furniture, making sure details important to an item's value show up.

Your inventory, pictures, and related documents should be kept in a safe place, such as a safe-deposit box at your bank or a home safe. You may also wish to give a duplicate copy of the inventory to a friend or relative, or keep a copy where you work.

And while you are thinking about your household goods and personal effects, does your will distribute them according to your desires?

Most states allow for a separate letter of instructions to make distribution of household items. Such a letter should be placed with your will, giving specific instructions for distribution of personal items.

It is important that a clause also be included in your will, stating your general desires for distribution, should no letter of instructions be found.

The letter of instructions allows you to easily reflect changes in property ownership, desires concerning distribution of property, or gifts made during your lifetime. Changes can be made without the legal form or complications of a will.

WAYS TO LEVERAGE YOUR GIVING

"There is always a way to improve."
— Dr. Scudder

God has blessed *Victory In Grace* as we've constantly looked for ways to more effectively spread the clear gospel.

But this good approach can also be applied to giving.

Instead of just giving cash gifts to charity, consider the excellent tax advantages of giving appreciated stocks, bonds, mutual funds, or real estate.

When you give appreciated property, you receive an income tax charitable deduction for the full fair market value of the property. You also avoid capital gains tax on the difference between the fair market value and your cost basis in the property.





OTHER WAYS TO BENEFIT FROM GIVING

Gifts from Individual Retirement Accounts

If you are over 70½, you can transfer up to \$100,000 directly from your IRA to a public charity.

The transfer is simple. You do not count it as income, nor do you take a charitable deduction. This means that you can give over and above other charitable gifts. To take advantage of this opportunity, under current law the transfer must be made by December 31, 2011.

A similar opportunity exists without the December 31 deadline for those aged 59 ½ and older. I'm available to discuss this.

The Gift of Your Time

One of the greatest gifts you can give is your time. Have you called your pastor recently and offered to volunteer at your church? Even just an hour can be a tremendous blessing. And since it's more blessed to give than to receive, you benefit most.

Free Resource

You may find it helpful to read the free Special Planning Report called, *We'll Help You Give More Effectively*. Request it when you call, email or, use the response card.



Neal Dearyan
Estate Design Specialist

P.S. I am so grateful God has given me the opportunity to work together with great folks like you. God frequently allows me to meet people who really love Him and others. The fact that Christ died for our sins and rose again is great news. Let's go tell the world!

Victory In Grace Foundation
60 Quentin Road
Lake Zurich, IL 60047
1-847-307-0115
neal@victoryingrace.org



Sometimes our friends ask how they can leave a portion of their estate to *Victory In Grace* to reach others with the gospel and good Bible teaching. You can include wording in your will or trust similar to this:

"I hereby give \$ _____ (or ___%) of my estate to *Victory In Grace Ministries, Inc.* for such unrestricted charitable uses and purposes as its governing board may determine."

Victory In Grace is a 501(c)(3) charitable organization.

Let's look at an example:

Mrs. Jones wants to make a gift to charity. She currently owns stock valued at \$10,000, which she purchased for \$5,000.

If Mrs. Jones sold the stock, she would pay approximately \$1,350 in capital gains tax (assuming a 27% combined federal and state capital gains tax bracket), leaving only \$8,650 to make her gift. She would receive an income tax charitable deduction for the gift, saving her approximately \$3,025 in taxes (assuming a 35% combined federal and state income tax bracket).

If Mrs. Jones gave the stock to *Victory In Grace Ministries*, and we sold the stock, we would receive the full \$10,000. Mrs. Jones would receive a charitable deduction in the amount of \$10,000, which would save her approximately \$3,500 in taxes. And neither Mrs. Jones nor *Victory In Grace Ministries* would pay capital gains tax.

In this illustration, if Mrs. Jones donates the appreciated stock, the ministry receives \$1,350 more than if she sold the stock and gave the proceeds. And Mrs. Jones has \$475 more, for a total benefit in tax savings of \$1,825.

If you own property that has decreased in value, it is probably best for you to sell the property. You can use the capital loss to offset other gain, and give the proceeds of the sale to charity.