

BENEFICIARY DESIGNATIONS

A direct approach to planned giving



Beneficiary designations are a simple and straightforward way to have a future impact at Duke by gifting assets from your estate like retirement plans, life insurance proceeds, and donor-advised funds. This powerful planned giving strategy offers maximum flexibility during your lifetime, and potential tax advantages for your heirs and/or your estate.

BENEFITS

For you

- Retain full access to your assets during your lifetime
- Allocate specific amounts or percentages to multiple charitable organizations
- Support the people, areas, and programs at Duke you care about most
- Potentially reduce tax burden otherwise incurred by living heirs on inherited retirement accounts
- Change beneficiary designations at any time if needed

For Duke

- Provide future support for one or more areas at Duke
- Sustain Duke’s enduring mission to deliver exceptional education, research, and patient care
- Increase Duke’s capacity to make a positive difference in the lives of students and the broader community

WHAT ARE MY OPTIONS?

- **Retirement Accounts:** Designate Duke to receive all or part of your retirement account remainder, potentially reducing the tax burden on your surviving heirs.

Consider this example: Sarah wishes to leave \$100,000 to her brother John and \$100,000 to Duke when she passes away. If she left John \$100,000 from her traditional IRA, he would recognize ordinary income taxes on the full amount. If Sarah named Duke as the beneficiary of her IRA, the university would receive the gift entirely tax-free, maximizing its impact on campus. Sarah could leave other assets to John in her will, saving him taxes. This approach would accomplish Sarah’s goals in a more tax-efficient way for both John and Duke.

Designated IRA Beneficiary	John	Duke
Amount of IRA gift	\$100,000	\$100,000
Federal Income taxes	(\$37,000)	(\$0)
Net amount to beneficiary	\$63,000	\$100,000

If Sarah is also subject to estate taxes, leaving her retirement assets to John may result in additional taxation, whereas directing the gift to Duke may reduce income and estate taxes.

**Assuming a marginal tax bracket of 37%*

- **Life Insurance:** Many people own life insurance policies they no longer need. A policyholder can name Duke as the beneficiary, transforming the policy's future proceeds into a high-impact gift at Duke.
- **Donor Advised Funds:** In addition to recommending grants to charity during your lifetime, you may also designate Duke to receive part or all of the fund's remaining balance after you pass away.

HOW TO GET STARTED

1. Consult with your financial advisor(s) to determine whether a charitable beneficiary designation is a good fit for you.
2. Contact the relevant financial institution to request a change-of-beneficiary form (often, this can be done online).
3. Decide what percentage of the account remainder you wish to designate to Duke.
4. Add Duke University as a beneficiary. Duke's tax identification number is 56-0532129.
5. Submit the updated form to your financial institution.
6. Inform Duke of your plans and provide instructions about how the university should use your gift if and when it is received.

MAINTAINING YOUR DESIGNATIONS

Be sure to review your beneficiary designations periodically as part of your overall estate planning. This ensures that your assets will be distributed according to your wishes.

CONNECT WITH US TO GET STARTED

Duke University's Office of Gift Planning has charitable planning professionals available to work with you and your financial advisors to explore charitable giving strategies that support your financial goals now and in the future.

EMAIL: giftplanning@duke.edu

WEBSITE: giving.duke.edu/giftplanning

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BLOG: giving.duke.edu/blog

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