

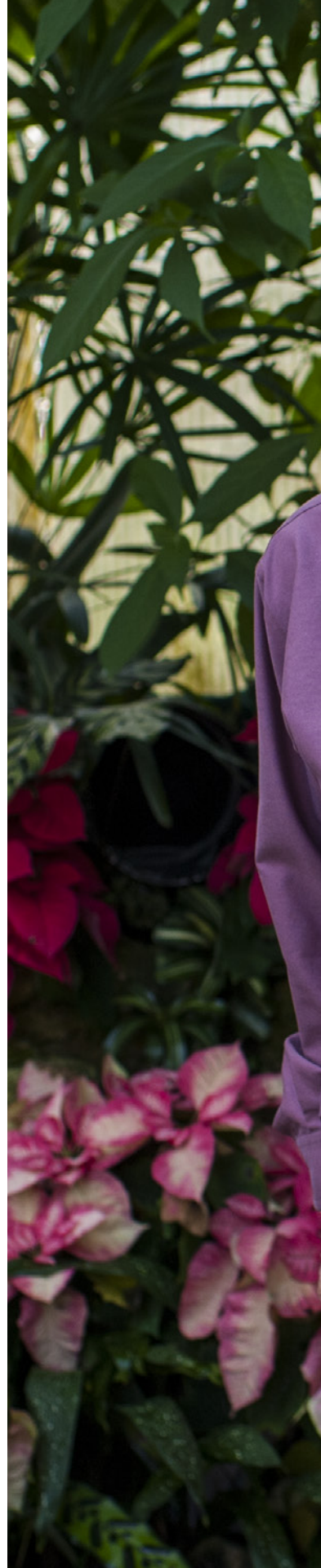


**Florida Museum  
of Natural History  
Estate and Gift Planning:  
The Science of Giving**

It is our hope that this booklet starts the conversation about gift planning in your family. Your **future gift** can be transformational for the Museum in many ways such as: support for state-of-the-art museum facilities; educational programs and exhibits for all ages; scientific research; preservation and curation of Museum collections; and undergraduate and graduate research support.



**We invite you to become a member of the Museum family and thank you for your vision, loyalty and generosity.**







“We are proud to be part of the Florida Museum of Natural History family. It brings us great joy knowing our gifts will benefit generations of Museum visitors. We encourage you to join us in this effort.”

— Richard and Catherine Crandall





# Cash

## Simple with immediate impact



### Benefits

- Cash gifts make an immediate and positive impact on a program.
- Cash is the easiest gift to make.
- Cash gifts support collections, exhibits, programs, research or an area which is particularly important to you.
- Cash gifts may be combined with other techniques described in this guide to leverage the impact of your gift.

### Did You Know?

- The Florida Museum of Natural History accepts checks and wired funds through the University of Florida Foundation, Inc. or, you may contribute through UF's secure site using a credit card at [www.flmnh.ufl.edu/gift/](http://www.flmnh.ufl.edu/gift/).
- Cash gifts provide the maximum charitable income tax deduction available under federal tax laws. You may claim a deduction up to 50 percent of your adjusted gross income, with any excess balance carried forward for up to five years.



# Appreciated Securities

Minimize tax consequences and maximize gift impact



## Benefits

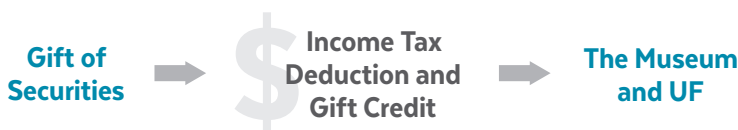
- Giving appreciated securities — stocks and bonds — can be more tax efficient than giving cash.

## Here's why:

- If you make a gift of securities directly to the Florida Museum of Natural History, you will receive an income tax deduction — and gift credit with the Museum and UF — for the full market value, without paying capital gains tax.
- If you were to sell these securities before making the gift, you would have to pay tax on any capital gains.

## Did You Know?

- If you own securities in a brokerage account these shares can be easily transferred electronically to the Museum.
- In most cases, the Museum will promptly sell gifted securities that are publicly traded and apply the cash toward the purpose you designate.
- Closely held stock and other securities that are not publicly traded work best when there is a mechanism for the Museum to sell the gifted interest to other stakeholders or the corporation itself. For these gifts, the donor must usually obtain an appraisal to claim a tax deduction.











# Retirement Plan Assets

## Avoid double taxation



### Benefits

- Retirement accounts such as IRAs and 401(k) and 403(b) plans can be subject to double taxation — ordinary income and estate tax — meaning that anywhere from 35-75% of retirement assets can be lost to taxes before they reach individual beneficiaries.
- Retirement plan assets left to the Museum will transfer tax-free.
- In planning your estate, consider leaving the Museum your retirement plan assets, and leave more favorably taxed assets to your family.

### Did You Know?

- Most retirement accounts allow the owner to select beneficiaries to receive the plan assets remaining at death. To designate the Florida Museum of Natural History as a beneficiary, contact the account administrator.
- Lifetime withdrawals, even for charitable gifts, are typically treated as taxable income. Proposed changes to federal tax law may allow for future tax-free distributions made directly to the Museum.

Retirement Asset Examples		
Type of Asset	Heir Would Receive	Museum Would Receive
Stocks (qualifies for “step up” basis, with no income or capital gains tax for heirs)	\$500,000	\$500,000
IRA (IRD asset that is taxable for heirs)	\$275,000*	\$500,000

*Income tax liability is \$0 if heirs are given the stocks and the Museum is given the IRA.*

*\*Using a marginal federal tax rate of 35% and state income tax of 10%. Since the Museum is income tax exempt, it will not pay tax on the IRA proceeds. If the heir had inherited the IRA instead of the stocks, he could pay as much as \$225,000 between federal and state income tax.*





# Bequest

## A revocable gift in your will or living trust



### Benefits

- A bequest is a gift to the Museum at your passing, generally through a provision in your will or living trust.
- It may be revoked at any time during your lifetime if your situation changes.

### Did You Know?

- You can complete a Change of Beneficiary form to name the Museum a beneficiary of your retirement plan, bank account, brokerage account or life insurance policy.
- A bequest might not be received by the Museum for many years — so there's a delay in funding the gifted purpose. As a result, restrictions placed on the use of your gift should be as minimal as possible, providing the Museum with maximum flexibility, as priorities and programs change over time.
- Suggested bequest language for wills or living trusts:

**“I give, devise and bequeath to the University of Florida Foundation, Inc. \_\_\_\_\_ (dollars, property, securities, percent of my estate, etc.) to be used for the Florida Museum of Natural History.”**

*The University of Florida Foundation, located in Gainesville, Florida, is a 501(c)3 not-for-profit corporation existing under the laws of the State of Florida and serving the University of Florida and all its affiliated units (including the Florida Museum of Natural History).*



# Gifts of Collections

## Preserving the history of life on Earth



The Florida Museum of Natural History is frequently approached by potential donors who would like to give collections of insects, animals, plants, fossils and various types of artifacts. The Museum welcomes these gifts, along with field notes, photographs, databases and libraries that complement the collections, provided the gift fits well within the Museum's existing collections and goals. Along with gifts of collections, many donors create an endowment to provide a funding stream which will curate their collection in perpetuity.

The Museum's collections and research programs span the globe to include every continent and nearly every island group on Earth. For example, the McGuire Center houses one of the world's largest Lepidoptera collections, representing most of the world's 20,000 butterfly species and many of the estimated 245,000 moth species. Many donors gift their butterfly and moth collections to the Museum where they will be used as a valuable resource for research. Gifts may be made during a donor's lifetime or as a future gift in the form of a bequest.

Since the Florida Museum of Natural History is a tax-exempt charity under the University of Florida Foundation, gifts of collections can have favorable tax benefits, especially if the property to be donated has appreciated.





“Bequest commitments sustain the continued growth of the McGuire Center collections and support professional activities for current and future students.”

— Tom Emmel  
*McGuire Center Founding Director*





# Gifts of Collections

## Preserving the history of life on Earth (continued)



Fossil Collection Example - Joe Sells Collection				
Asset	Paid	Current Value	Tax Bracket	Capital Gains Rate
Joe's fossil collection	\$20,000	\$100,000	39.6%	31.8% (28% capital gains + 3.8% net investment income, since Joe's annual income is over \$250K)*

- If Joe were to sell the collection, he would incur a capital gain of \$25,440: current value (\$100,000) – price Joe originally paid (\$20,000) x capital gains rate 31.8%
- Joe nets \$74,560 on the sale: current value (\$100,000) – capital gains (\$25,440)

Fossil Collection Example - Joe Gives Collection					
Asset	Paid	Current Value	Tax Bracket	Charitable Deduction	Taxes Saved
Joe's fossil collection	\$20,000	\$100,000	39.6%	\$100,000	\$39,600

- If instead Joe gives the collection to the Museum, he would receive an income tax charitable contribution deduction equal to the current value (\$100,000) and avoid long-term capital gain incurred had he sold the collection.
- Since he is in the 39.6% tax bracket, the resulting \$100,000 charitable contribution deduction will save him \$39,600 in taxes.
- Under IRS rules, gifts of property valued in excess of \$5,000 require an appraisal by a qualified appraiser in order to qualify as a charitable contribution.
- Collections remain in perpetuity. They are studied by students and form the basis for current and future research.

*\*Some commentators have suggested owners of artifact collections are subject to a higher 28% rate (like other collections of tangible personal property) than the regular 15% for other assets.*

# Gifts of Collections

## Preserving the history of life on Earth (*continued*)



### Procedure For Donating Collections and Other Gifts

The Florida Museum of Natural History is not able to accept every donation, since it takes considerable funds and staff to maintain them. If you are interested in donating a collection to the Museum, please contact Marie Emmerson, Director of Development, at (352) 273-2087 or [emmerson@ufl.edu](mailto:emmerson@ufl.edu).

Our staff is happy to meet with you, and possibly with an expert in the field related to your collection, to discuss a possible gift. All information you have regarding the background of your collection, particularly as it pertains to your acquisition, would be helpful.

After this meeting, the Museum will determine whether your specimens are a fit for inclusion in the Museum's collections.

*The UF Foundation (federal tax ID number 59-0974739) is a Florida not-for-profit corporation exempted from federal income tax as a 501(c)(3) publicly supported charity. The UF Foundation does not provide legal, tax or financial advice. When considering planning matters, seek the advice of your own legal, tax or financial professionals.*



















# Charitable Lead Trust

## A valuable estate planning tool

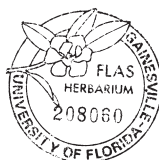


### Benefits

- A Charitable Lead Trust can greatly reduce or eliminate gift or estate tax on trust assets passing to family members.
- A Charitable Lead Trust makes annual payments to the Florida Museum of Natural History for a period of time set by the donor, then distributes the remaining assets to the donor's family or other named beneficiaries.
- This structure provides a tax-advantaged method of supporting the Museum for a set number of years, with a potentially significant future tax-free distribution to family and other heirs.

### Did You Know?

- A Charitable Lead Trust is complex in nature and must be carefully reviewed by the donor's advisers to ensure it is compatible with their entire estate plan.





# Life Income Gifts

Make a gift and receive income for life

## Charitable Remainder Trust (CRT)

### Benefits

- A CRT pays individual beneficiaries an annual amount for their lives or a fixed term of up to 20 years.
- Donors who create a CRT can claim an income tax deduction that represents the present value of the eventual gift to the Museum.
- When the CRT ends, the remaining assets are distributed to the Florida Museum of Natural History.

### Did You Know?

- Life income beneficiaries can be the donor, family members or others.
- The trust principal is normally invested for a total return and grows tax free. It can be invested in a variety of diversified portfolios, including UF's endowment.
- An Annuity Trust makes a fixed annual payment and a Unitrust makes a variable annual payment.
- Unitrusts are revalued annually and if the principal in the trust appreciates, payments will be correspondingly larger. But there's a risk. If the principal depreciates, payments will be smaller.







# Life Income Gifts

Make a gift and receive income for life (*continued*)



## Charitable Gift Annuity

### Benefits

- In exchange for your gift, UF (on behalf of the Museum) promises to make lifetime annuity payments to one or two annuitants.
- The contractual obligation is backed by the UF Foundation, Inc., making this a very secure source of future income.
- After the death of the last annuitant, the balance of the remaining gift will be used by the Museum for the purpose you've designated.

### Did You Know?

- Donors receive an income tax deduction based on the fair market value of the assets contributed less the present value of the future annuity payments.
- Payments to annuitants are generally partly taxable as ordinary income and capital gain (depending on the gift asset), and a portion is usually treated as tax-free return of principal.





# Real Estate

We accept all types of gifts



## Outright Gifts

### Benefits

- Receive a charitable income tax deduction for the full fair market value of the property.
- Avoid capital gains tax on appreciation.
- Transfer to the Museum the burden and expense of managing and selling your property.

### Did You Know?

- UF's Office of Gift Planning has the resources and expertise to facilitate most real estate gifts.
- An appraisal is usually required to substantiate the tax deduction for most real estate gifts, and must be obtained by the donor.
- In some cases, UF (on behalf of the Museum) may be willing to purchase a property for less than its fair market value, and the donor is able to claim a tax deduction for the difference.
- Property subject to a mortgage may not be suitable as a gift to the Museum due to tax and other considerations.



## Retained Life Estate

### Benefits

- Transfer the title to your personal residence now, while retaining the right to live in or use it for the rest of your life or another's life. Upon the death(s) of the life tenant(s), title to the property vests in UF (on behalf of the Museum) and any subsequent sale proceeds will be applied to the purpose you designate.
- You receive an immediate income tax deduction based on the fair market value less the present value of the retained life estate.









# Life Insurance

## Name the Museum as beneficiary



### Benefits

- Life insurance allows donors to leverage their resources while providing an extraordinary gift to the Museum.
- You may donate your existing policy by making the Museum the owner/beneficiary and receive an income tax deduction for the value of the policy.

### Did You Know?

- If you prefer, you may maintain ownership of your policy but name the Museum as a beneficiary. This way you maintain the flexibility to change beneficiaries if your situation changes.
- Fully paid policies are preferable to the Florida Museum of Natural History. The university may cash out gifts of policies not fully paid unless the donor makes gifts to the Museum to cover future premium payments.
- If you have a term policy (often provided as an employment benefit) consider naming the Museum as a beneficiary.

### Common Types of Policies Given

- **Whole Life** is characterized by level premiums and level coverage. Cash values may increase based on the performance of assets held by the company's fund.
- **Universal Life** is characterized by adjustable premiums and coverage. The premiums start lower and gradually increase. Cash values may increase based on the performance of assets held by the company's fund.
- **Variable Life** (like Whole Life) and **Variable Universal Life** (like Universal Life), except the sub-accounts are invested in stock and bond portfolios rather than in the insurance company's general account (higher risk/return).







# Some of our favorites...

## Front and back cover

A Julia, *Dryas iulia*, butterfly in the *Butterfly Rainforest*. Photo by Kristen Grace

## Page 3

Drs. Richard and Catherine Crandall, friends and loyal supporters of the Florida Museum, enjoy the *Butterfly Rainforest*. Photo by Jeff Gage

## Page 4

These Brush-footed butterflies from Zimbabwe are part of the McGuire Center Collections. Photo by Andrei Sourakov

## Page 5

This 5.5-inch-tall Seminole bird from the mid-1900s is carved from cypress wood. Photo by Eric Zamora

## Page 6

A shark eye snail, *N. duplicata*, from Florida. Photo by Kristen Grace

## Page 7

Distinguished Professor Doug Soltis is pictured in front of a graphical representation of the first draft of the Tree of Life in the University of Florida Marston Science Library. Photo by Kristen Grace

## Page 8

Gulf Fritillary caterpillar. Photo by Kristen Grace

## Page 10

Under the dome of the Santa Fe College Kika Silva Pla Planetarium, Florida Museum Ethnography Curator Susan Milbrath compares the Codex Borgia eclipse image with a planetarium projection of the solar eclipse in August 1496. Photo by Eric Zamora

## Page 11

These various pre-Columbian points from northern Florida are part of the Museum's Florida Archaeology Collection. Photo by Kristen Grace

## Page 13

An Eastern Black Swallowtail, *Papilio polyxenes*, nectars on pickerelweed, *Pontederia cordata*. Photo by Kristen Grace

## Page 14

These various horns, antlers and skulls from hoofed animals are part of the Museum's Mammals Collection. Photo by Kristen Grace

## Page 16

This skull of a land-roaming Cuban crocodile is one of many preserved fossils found in the Sawmill Sink on Great Abaco Island. Photo courtesy of Nancy Albury and The Antiquities, Monuments and Museums Corporation

## Page 17

Distinguished Research Curator Emerita of Historical Archaeology Kathleen Deagan works at the Fountain of Youth site in St. Augustine. Photo by Kristen Grace

## Pages 18-19

Passion vine is the host plant for Florida's state butterfly, the Zebra Longwing, *Heliconius charithonia*, and the Gulf Fritillary, *Agraulis vanillae*. Photo by Kristen Grace

## Page 20

These South Florida Seminole dolls from the mid-to late-1990s are part of the Museum's Anthropology Collection. Photo by Kristen Grace

## Page 21

This specimen, Garden nasturtium, *Tropaeolum majus*, is part of the Museum's Herbarium Collection at Dickinson Hall. Photo courtesy of the UF Herbarium Collections Catalog

## Page 22

A Rock Pigeon, *Columba livia*, from the Museum's Ornithology Collection. Photo by Jeff Gage

## Page 23

These wooden woodpecker and antler effigy carvings, A.D. 100-300, are from the Fort Center site in Glades County, Florida. Photo by Kristen Grace

## Page 24

Participants in a Panama Canal Project PIRE meeting use a 3-D scanner to capture an image of a fossil horse tooth. Photo by Jeff Gage

## Page 25

This small (about 3 x 1.5 centimeters) silver plaque was discovered at the Fountain of Youth site, but researchers believe it was made by Florida natives rather than Spaniards.

This small amulet in the shape of a clenched fist excavated from the Fountain of Youth Archaeological Park in St. Augustine is the earliest-known *figa* (ca. 1565-1570) in the United States. Photos by Eric Zamora

## Page 26

A Hairstreak butterfly, *Evenus candidus*, from South America. Photo by Kristen Grace

## Page 27

Visitors at the Starry Night public program learn which constellations may be viewed from Earth during different times of the year. Photo by Kristen Grace

## Page 28

Student assistant Evan Whiting works on a dinosaur specimen in the *Titanoboa: Monster Snake* exhibition prep lab. Photo by Kristen Grace

## Page 30

These pelts of a clouded leopard, ocelot, jaguar and leopard are part of the Museum's Mammals Collection. Photo by Kristen Grace



## Florida Museum of Natural History

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