

## **GIFTS FROM RETIREMENT PLANS**

If the largest asset in your estate is your retirement plan, such as a 401(k), IRA, or Keogh, you may be surprised to learn that the IRS will impose income tax on the remaining balance in the account if you bequeath it to a beneficiary other than your spouse.

This tax is *in addition to* the estate tax that will be imposed on the account. For estates fully subject to the estate tax, the result can be that 70 percent of the value of your retirement plan will be consumed in taxes before your child, relative or friend receives it.

There is a sensible charitable alternative: name St. Mary Parish as the beneficiary of your retirement plan, then use other assets not subject to income tax to make gifts to your heirs. We won't pay income tax on our distribution and your heirs will receive their share of your estate without the burden of extra taxes.

For more information call the Parish Office (373-6491) or St. Mary Finance Committee Chair, Regis Keddie, (373-1863).