

DIMENSIONS

A FINANCIAL AND CHARITABLE PLANNING GUIDE

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THE EPICENTER OF GOOD THINGS

For Eric Alcouloumre, MD, Hoag has been the epicenter of some exceptionally good things. Like his wife of twenty-five years, Annee, whom he met at a Hoag event. This led to his three accomplished children, Eliana, Aaron and Shira, all born at Hoag, and his 33-year career in emergency medicine — spent entirely at Hoag.

So what attracts a med student to specialize in emergency medicine? It was the challenge of immediate problem-solving required of an ER doctor that had him hooked. Dr. Alcouloumre feels “that kind of logic and thinking is crucial for emergency physicians because the ability to connect the dots is the most important part of the job.” It’s no wonder, then, that he’s a great fan of Sherlock Holmes, having devoured every book in the Sir Arthur Conan Doyle series during med school.

While Dr. Alcouloumre relishes solving medical mysteries, he equally enjoys the challenge of how to create an instant rapport with patients during their greatest moments of need. “It’s a human connection, a privilege to be able to do that.” He praises the entire Joan & Andy Fimiano Emergency Pavilion staff as remarkably compassionate in the face of all the stressful initial treatment decisions they make.

Family Culture of Generosity

Generosity and expressions of gratitude for a fortunate life are part of the Alcouloumre’s family culture. Dr. Alcouloumre admires Annee’s dedication to helping others as a trial lawyer in innocence cases. The couple

is extremely close to their three grown children, all pursuing their own extraordinary careers. When asked what inspires him, he points to his kids and their enthusiasm, creativity, hard work and commitment to social justice causes. He is thankful for his family and, clearly, a proud father. Hoag is especially important to this family.



HOAG
PROMISE

OUR CAMPAIGN TO LEAD,
INNOVATE & TRANSFORM

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DO YOU HAVE A PLAN FOR THE FUTURE?



We look forward to helping you create a plan that addresses your unique needs and goals at every life stage.

Take advantage of a great resource to help you in your planning. Our website includes a number of valuable tools, including informative videos, the online Wills Planner and a downloadable guide to planning your will or trust.

If you would like to get started creating or updating your charitable plan, please give us a call at (949) 764-7206.



TAX-WISE PLANNING TIP

If you make a gift of stock rather than cash to Hoag, you can use the cash you would have given to purchase more of the same stock. Then you will have made your gift, but you still own the stock, only now with a higher basis.

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THE SECURE ACT BECOMES LAW:

HERE'S WHAT IT MEANS TO YOU

On December 19, 2019, the Senate passed the Setting Every Community Up for Retirement Enhancement (SECURE) Act. The SECURE Act includes many provisions designed to facilitate and enhance saving for retirement:

- **Traditional IRA Contributions** - Individuals over age 70½ with earned income may continue to make contributions each year.
- **Required Minimum Distribution (RMD) Age** - For individuals who turn 70½ after December 31, 2019, the RMD age of 70½ is increased to age 72. Many donors may choose to increase their IRA rollover gifts after age 72.
- **Retirement Plan Annuities** - The rules are generally expanded to permit more qualified retirement plans to offer annuity payout options.
- **Stretch Distribution Reduced** - Inherited IRAs for non-spouse beneficiaries will no longer be distributed over life expectancy, but IRA and other qualified plans of decedents must be paid out over a maximum term of 10 years. There are exceptions for recipients with disabilities, minors and individuals who are within 10 years of the age of the IRA owner.
- **IRA Rollover Limit Potentially Reduced** - If an individual makes contributions to a traditional IRA after age 70½, the \$100,000 per year qualified charitable distribution (QCD) limit is reduced by the amount of IRA contributions after that age. It is probable that most donors will either have not have earned income after age 70½, will have total income over the IRA phase-out limits (and may not fund an IRA) or may choose to make Roth IRA contributions.

THE SECURE ACT SIGNIFICANTLY CHANGES THE TAX IMPLICATIONS

OF LEAVING YOUR IRA TO YOUR HEIRS

Were you planning to utilize a “stretch IRA plan”? Did you know the SECURE Act has dramatically changed the tax law rules, substantially increasing the income taxes paid by your children on inherited IRAs? Need a solution? The testamentary charitable remainder unitrust is an excellent plan to replace your old stretch IRA plan.

What is a SECURE Act, and how does it impact my heirs?

The SECURE Act addresses distributions from retirement accounts. The law provides that beneficiaries of retirement accounts must withdraw an inherited IRA within 10 years. With few exceptions, the Act effectively eliminates stretch IRA plans. As a result, the taxable distributions to most IRA beneficiaries will be larger, and the taxes they pay will be higher.

What is a Testamentary Charitable Remainder Unitrust?

A testamentary charitable remainder unitrust is a tax-exempt trust designed to make income payments to your heirs over their lifetimes or for a term of up to 20 years. At the end of the trust, the remaining principal is distributed to support a nonprofit, such as Hoag. The trust is sometimes called a “give it twice” trust because it enables you to give the gift of income to your heirs and leave a potentially comparable gift to support Hoag.

How does the trust work?

You can create an unfunded or minimally funded charitable remainder unitrust today or direct that one be created and funded with your IRA when you pass away. You have the ability to designate the trust beneficiaries, payout rate and term (lifetime or up to 20 years). Make sure to update your IRA beneficiary designation to designate the trust as the beneficiary of your IRA. Upon your passing, the trust will receive the IRA distribution and then begin to make payments to your heirs.

BENEFITS OF A TESTAMENTARY CHARITABLE REMAINDER UNITRUST

- Replaces your obsolete stretch IRA plan
- Spreads out the income payments over the lifetime of your heirs; not limited to 10 years
- Provides income tax savings to your heirs
- Allows tax-free growth inside the trust
- Protects heirs
- Results in no taxes being paid on IRA when it is distributed to the trust
- Protects the IRA's principal from creditors
- Is changeable and revocable during your lifetime
- Generates a charitable estate tax deduction
- Leaves significant charitable gifts to support Hoag

This information is not intended as tax, legal or financial advice. Gift results may vary. Consult your personal financial advisor for information specific to your situation. Under federal rules, your benefits may be different from this example. Please contact us for your specific benefits.

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Dr. Alcouloumre shares, "I'm on the Hoag Hospital Board of Directors this year, which has given me more perspective about how much good Hoag does for the community." He and his wife have made a charitable bequest to help Hoag continue to fulfill its mission. "My wife and I understand the impact that Hoag has not only for our family but also how much good it does for the community."

It's nice to be in a position where we can give something back, and we hope it inspires others to do similar things." When asked about his favorite place in the world to escape, his answer was consistent with his grateful mindset. "Laguna Beach. I'm blessed to live in one of the nicest areas," he said, quickly adding, "and to work at perhaps the best hospital in the country."

COVID-19 SUPPORT FOR HOAG

WE'RE IN THIS TOGETHER

During this unprecedented public health crisis, Hoag caregivers and staff are faithfully serving those who need us most. It inspires them to know that our community is responding to help them as they devote themselves to caring for those impacted by the coronavirus (COVID-19).

How you can help

To make a gift to help Hoag respond to the evolving needs of our patients, caregivers and our community, please consider a gift to Hoag's COVID-19 Support Fund.

Your support of our fight against coronavirus can make an impact in areas such as critically needed supplies and other areas of greatest need to address the crisis as determined by Hoag leadership.

Visit www.covid19.hoagpromise.org to make a gift. While you're there, write a message of support, encouragement and gratitude to our caregivers and staff who are working tirelessly to care for our community.

We are grateful to be part of a community with a strong desire to make a difference.



OFFICE OF GIFT PLANNING

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