Spring 2018

Mission to the World

Partners IN PLANNING

Peace and Perspective:

A Life Leveraged for the Kingdom

By Andrew Shaughnessy

David Castor's passion for missions developed early. Growing up as a pastor's kid in Zephyrhills, Florida, he spent his Sunday nights hanging out at his best friend's Christian Missionary Alliance church.

"They would parade the missionaries up on stage, and I would just be in a fantasy world hearing their stories about the mission field," David said. "That little CMA church gave me my heart for missions. … To this day when I'm sitting with a missionary team leader, I become like a little kid again listening to their stories."

Today, David works as a bus driver at Walt Disney World, but every chance he gets he is out on short-term mission trips with Orangewood Presbyterian Church in Maitland, Florida, where he serves as a deacon. By his latest count, David has been on 74 mission trips to 14 different countries. He averages four or five trips per year, and loves every minute.

Even with so many trips under his belt, there are moments that stick: The missionary wife who told him that she had been serving in Japan for five years, but had never been able to worship next to her husband at church until David and his team came to ease the burden at the nursery; the little child at an eye clinic who he helped fit for glasses—her eyes lighting up when she could see clearly for the first time in her life.

"I was born with a birth defect—a cleft palate," said David. "My parents made sure I got all the surgeries [I needed], but to hold a child in Honduras that has a cleft lip and to be able to pray for the mother and refer her to our cleft palate [surgery] team, that's very powerful to me."

David has a way of cutting through the small talk and getting very deep, very quickly with people. It's a skill that has served him well on the field, and has enabled him to point many to the cross. He loves going back to the same places year after year and picking up with people right where he left off.

But everything can change in the blink of an eye. →

Center for Estate and Gift Planning

By Bryan C. Taylor, CFA
Principal, Cornerstone Management, Inc.

Tax Laws Have Changed.

Here's Why Your Giving Strategy Should Too.

As Benjamin Franklin once quipped: "Nothing is certain except death and taxes." While that maxim remains relevant, we might also note that "change" is a constant. The new tax act signed into law earlier this year addresses both issues: "Taxes remain but the law has changed!" Here are some key changes under the new law that may impact charitable giving:

- The standard deduction increased to $24,000 for joint filers, $12,000 for individual filers, and $18,000 for those filing with at least one qualifying child.

> *...the increased standard deduction implies that fewer filers will itemize, thereby decreasing the potential benefit of charitable deductions...*

- The deduction for charitable gifts remains and has been expanded to 60% of adjusted gross income for cash gifts.
- The personal exemption for estate, gift, and generation-skipping taxes doubled, up to $11.2 million per person for 2018. The highest statutory rate for these remains at 40 percent.
- The new law made the "Charitable IRA Rollover" permanent at the $100,000 level for taxpayers age 70 ½ or older.

Some of these changes may pose a challenge to charitable giving. For example, the increased standard deduction implies that fewer filers will itemize, thereby decreasing the potential benefit of charitable deductions for the average individual. Some watchdog groups have suggested that this may result in a hit to charitable giving. However, we believe that most donors give for stewardship purposes and tax treatment acts only as an additional incentive.

3 Creative Strategies to Leverage Charitable Giving in 2018 and Beyond:

1. Challenge: "I no longer need to itemize because the standard deduction is greater than the total of my itemized deductions including my charitable giving."

Solution: Gift Aggregation (Bunching). A donor could evaluate their giving in three year "giving windows." If the aggregate total of three years of charitable giving along with other deductible items exceeds the standard deduction, the donor may gift the three-year aggregated amount to a Donor Advised Fund (DAF) in year one and itemize their deductions. In the following two years the donor would utilize the standard deduction and make distributions from their DAF to support their church and various charitable interests.

2. Challenge: "I can no longer receive a tax benefit from my charitable gift because I don't itemize."

Solution: Gift Appreciated Securities. A donor can receive a tax benefit by gifting appreciated securities or property in lieu of cash to charitable organizations. This avoids the capital gains tax on the sale of those securities or assets. If the donor wishes to retain the stock, they can benefit by gifting the appreciated securities and repurchase the stock, thereby resetting the "basis" at a higher level.

3. Challenge: "I'm over 70 ½ and have to take an RMD (required minimum distribution) from my IRA."

Solution: Qualified Charitable Distribution (QCD). The donor can make a tax-free QCD of up to $100,000 from their IRA directly to their church or charities. This will meet the RMD requirements and will not be reported as income.

Change is one of the few constants in our lives and along with "death and taxes" is something we all must learn to adjust to. Through the utilization of these strategies and others related to the expansion of the personal estate tax exemption, we believe donors can continue to benefit from favorable tax incentives in the Code and U.S. charities can flourish as a result of changes brought about by the new law. ■

Seasons of Change

By Bruce Owens

Spring has come, and the dogwood trees and azalea bushes in our yard are in full bloom. The migratory birds are making their annual stop at our bird feeders as they make their way north. This is the only season of the year we see the yellow-rumped warbler, northern flicker, and rose-breasted grosbeak.

As the weather changes, the seasons change, and the birds migrate, I am always reminded that God never changes. As the refrain in the great hymn expresses:

"'Great is Thy faithfulness!'
'Great is Thy faithfulness!'
Morning by morning new mercies I see;
All I have needed Thy hand hath provided—
'Great is Thy faithfulness,' Lord, unto me!"

This issue of Partners in Planning highlights changes. There is an article by Bryan Taylor of Cornerstone Management on changes in tax law and a partner profile on the changes in life circumstances that caused one man to make changes in his estate plans. MTW's Center for Estate and Gift Planning was founded on the unchanging biblical principle that estate planning is spiritual before it is mechanical. God is the owner of all. We are the stewards or trustees of what he has provided and entrusted to us. Our estate documents are just the distribution clause of that stewardship trust.

The ministry of the Center for Estate and Gift Planning is to help families find God's plan of stewardship for the distribution of their estates at any season of their lives and then to help them put their house in order. Have changes in people, property, life circumstances, or tax law brought you to a time of needing to review your estate and gifting plans?

MTWs Center for Estate and Gift Planning offers two free, no cost or obligation services: estate design and gift planning. We follow a biblically based approach that puts people before dollars and prioritizes wise financial decisions that allow you to simultaneously provide for your family needs and maximize your giving to build for the kingdom of God.

May we help you at this season of your life? ■

Bruce Owens

mtw
Mission to the World

Continued from Page 1:

→ Three years ago, just before embarking on yet another mission trip to Europe, David had a bump removed from the top of his head. When he returned from the trip the doctor called: "Drop everything. Get in here now."

David was diagnosed with stage 3 melanoma. By the time the doctors caught it, the cancer had reached his lymph nodes. Suddenly, death became a very real, present possibility. The months to come were filled with endless tests and immunotherapy treatments. Finally, David was declared cancer free.

"When you get a scare like that, you start thinking, 'Gee, what do I do with all the assets, the gifts, the treasures that the Lord has bestowed on me? '" David said. "I can't take it with me."

Not long after, David attended a seminar at the 2017 PCA Global Missions Conference on "Turning Taxes into Kingdom Treasure" led by MTW's Director of Estate and Gift Planning Bruce Owens. In the wake of his close brush with death, the seminar greatly impacted David, and he decided he needed to get serious about leveraging his resources for kingdom purposes. When tax time came around, David met with his financial planner, an attorney, and Bruce, and together they updated his estate documents and developed a Donor Advised Fund (DAF), giving David an immediate tax benefit and allowing him to distribute grants from the fund to various ministries over time.

"I just love the idea of a Donor Advised Fund because I can reassess everything every three to five years, and as ministry needs change around the world I can make changes as I see fit," David said.

"A huge burden has been lifted from my shoulders," he added. "I'm so at peace, now that I've gotten my house in order. Everything that I've acquired on this earth belongs to the Lord. I can leverage my life for His kingdom."

1 Corinthians 10:31 says, "Whether you eat or drink, or whatever you do, do all to the glory of God." David has lived his life by that verse, giving his whole self—time, skills, and financial assets—for the advancement of the gospel throughout the world and the glory of the God who has captured his heart.

"They say I'm cancer free," David said. "He's not done with me yet. I plan on continuing to go [on mission trips] as long as I can. I'm 50 years old now. The other bus drivers say, 'Aren't you scared to go to these other countries?' And I always tell them, 'Hey, if something happens to me on the mission field, know that I died happy.'"■

Partners IN PLANNING

Mission to the World

We trust you have found this issue of Partners in Planning to be helpful. We look forward to answering any questions you may have about the information shared here. Please take time now to complete the response card to receive information on our estate design and gift planning services. We are here to help you in any way we can. Please write or call our office to let us know how we can be of assistance.

For will and estate planning purposes, our legal name and address are:

Mission to the World (PCA), Inc.
1600 North Brown Road
Lawrenceville, GA 30043
(678) 823-0028
estategift@mtw.org | www.mtw.org

CENTER FOR ESTATE AND GIFT PLANNING