



YOUR
PARTNER
IN PLANNED
GIVING
SUCCESS

eRate Newsletter | January 18, 2018

IRS DISCOUNT RATE: February 2.8%

Tax Reform and Its Impact on Planned Giving

On December 22, 2017, the President signed into law an [“Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018.”](#) That’s quite a mouthful, so this article will refer to the law as the “Tax Reform Act” for convenience.

There has been some alarm in the charitable community about the impact of this law on charitable giving. The intention of the analysis that follows is twofold. First, it explains which laws affecting planned giving have changed and which laws remain intact. Second, it offers five suggestions on the best ways donors can continue to make tax-efficient planned gifts.

Note that some of our readers may have seen this article previously, as we distributed it in a customer email last week.

[READ THE FULL ARTICLE](#)

[PRINT THE FULL ARTICLE](#)

UPCOMING WEBINARS

Dear Donor, Please Forgive Me: Avoiding Gift Annuity Mistakes



Presented by

[Mike Valoris](#)

Thursday,
January 25
1:00 - 2:30 pm ET

[REGISTER](#)

Donor Restrictions – What Will They Think of Next?



Presented by

[Erik Dryburgh](#)

Thursday,
February 22
1:00 - 2:30 pm ET

[REGISTER](#)

UPCOMING TRAINING

Planned Giving Manager

February 8-9, New York, NY

March 14-15, Atlanta, GA

April 24-25, Seattle, WA (ACGA)

GiftWrap

April 10-11, Cambridge, MA

[VIEW](#)

In This Issue:

- Quick Tip: Printing 1099-R Tax Forms in *GiftWrap*
- Marketing Corner: Don't Say That, Say This!
- PG Calc Solutions: Annual CGA Reserve and FASB Reports
- There's Still Time to Sign Up for PG Calc's 2018 Webinar Series
- *PGM Anywhere* Updated for New Tax Law; *PGM Update* to Follow Soon

- Filing Deadlines for 1099-Rs and K-1s
- Upcoming PG Calc Training Opportunities
- Bryn Mawr Chooses PG Calc as Its Marketing Services Vendor

Quick Tip: Printing 1099-R Tax Forms in *GiftWrap*

As many *GiftWrap* clients focus on preparing 1099-R tax forms for their gift annuitants this month, we offer a few tips to help avoid the most common problems when printing onto pre-printed forms.

Data Doesn't Fit Forms Correctly

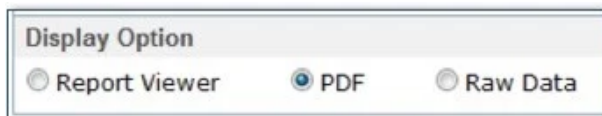
Simply put, this issue arises because *GiftWrap* produces the 1099-R information in the exact size required to fit data into the boxes on the pre-printed 1099-R forms. However, many printers and some browsers automatically resize before printing.

You can identify the resizing issue because the data will typically print a little too low relative to the boxes on the top half of the 1099-R form and too high on the bottom half. The trick is to configure your printer to print the *GiftWrap* data without any scaling adjustment.

In the Print Dialog window, look for the setting that controls sizing. Printer drivers use different terms, but you want "Page Scaling" set to "None" or "Actual Size". In Chrome, there is a checkbox labeled "Fit to page" and this box must be *unchecked*.

Use Correct PDF Format

When printing forms, always make sure the Display Option at the bottom of the 1099-R form in *GiftWrap* is set to PDF, not Report Viewer. If you do choose Report Viewer, then you must choose the printer icon in the report viewer to generate the PDF version of the report for printing.



If you are running *GiftWrap* in Firefox, check the settings under Tools – Options – Applications. In the Content Type column on the left, find "Portable Document Format (PDF)" and make sure it is set to "Use Adobe Acrobat (in Firefox)." If this is set to any other value, the printing alignment will be off.

Choose the Correct Form

Select the appropriate Form (A or B/C) from the dropdown list to match the pre-printed forms you are using. If you select Copy B/C and print onto form A, the name and address will not format correctly in the boxes.

Blank Perforated Forms

Printing the entire form onto blank perforated forms avoids issues with fitting data into boxes. This is a good option for small numbers of 1099-Rs, but be aware that printing the full form plus data onto blank perforated forms is a much slower print job.

Last Resorts

If our tips don't solve the issue, try a different printer. If that doesn't work, send a scan of the offending form to Support@pgcalc.com and we'll call you back, or call Client Services at 888-474-2252.

Marketing Corner: Don't Say That, Say This!

In the world of planned giving, the terms “deferred giving,” in years past, and more recently “planned giving” and “gift planning,” have become commonly used among practitioners and within fundraising organizations. However, these terms are not widely known among prospective donors. As such, alternative language is recommended when communicating with prospective donors. This is just one example in which your choice of planned giving terminology matters when communicating with potential donors.

At one of our client meetings, we had the opportunity to share some thoughts on planned giving terminology, and those thoughts are summarized below. This list is by no means exhaustive, but does provide insight into terminology choices to consider. These examples apply to conversations between gift officers and donors, as well as marketing communications.

Don't Say That!	Say This!
Would you like to learn how to make a gift and, in return, receive lifetime income from our organization? Let me tell you about <u>charitable gift annuities</u> .	Would you like to learn how to make a gift and, in return, receive lifetime income from our organization? Let me tell you about gifts that pay you income for life.
Have you heard of a charitable gift annuity?	Have you heard there are gifts that can pay you income? (or ...income for life?)
I'd like to tell you how to receive a tax deduction and make a gift, called a <u>Charitable Gift Annuity</u> , that pays you income for life.	I'd like to tell you how to receive a tax deduction and make a gift that pays you income for life.
When talking about annuities, don't say the amount left to our organization depends "on the age when the annuity holder dies."	The amount left for our organization will vary depending on "if the annuity holder lives up to different ages."
Would you be interested in hearing about gift planning options? (or planned giving options)	Would you be interested in hearing about ways to give that are cheaper, easier, and smarter?
Have you considered making a gift of stocks or bonds to our charity?	Have you considered <u>saving capital gains tax</u> by making a gift of stocks or bonds to our charity?
Would you like to make a bequest gift to our organization?	Would you like to make a gift to our organization in your will?
Transfer on death beneficiary or bequest beneficiary	Make a gift from your will or trust
Make a gift to your organization in my last will & testament that will take effect at my death.	Make a gift to your organization in my last will & testament.
Don't talk about "estate giving."	Talk about "will planning."
Don't talk about death.	Talk about creating a legacy.
Planned giving or gift planning	Thoughtful planning Long term plans Future plans Through foresight and planning

PG Calc Solutions: Annual CGA Reserve and FASB Reports

It's that time of year again! All charities registered in New York need to file their annual report by March 1. This reporting covers activity for the 2017 calendar year, and must include a reserve calculation as of December 31. Reporting to New Jersey is also typically done on a calendar year basis, and some organizations file on that basis in California as well. Organizations that handle their financial accounting on a calendar-year basis will have reporting requirements in several other states, as well as the need for a FASB liability estimate reflecting values as of December 31. The reports required for state reporting and FASB liabilities are complicated mathematical exercises involving life expectancies and estimates of investment returns.

The good news is that PG Calc offers easy solutions to address these unusual needs. For clients who want less of a hands-on experience, we provide state reserve and FASB liability reports as a service. In most situations, we can turn around these types of reports in 10 to 15 business days. The most important part of the process is getting all of the relevant information up front – details about the gift vehicles, as well as specific information about the annuitants and beneficiaries.

The other solution that is a bit more hands-on is PG Calc's extraordinary *GiftWrap* application, which can produce state reserve and FASB liability reports at the click of a button (once all of the person and gift information has been entered into the database). On a recurring annual basis, only a modest amount of data needs to be updated to produce new reports. The purchase of a *GiftWrap* license opens the door to PG Calc's unlimited customer assistance. Moreover, the optional *GiftWrap Payment and Tax* module affords the organization a chance to handle other aspects of gift administration internally, such as the issuing of payments and meeting tax reporting requirements.

Please feel free to contact Chris Lee right away if you are interested in either of these solutions for your annual state and FASB reporting needs. You may reach Chris at 888-474-2252 or clee@pgcalc.com.

There's Still Time To Sign Up for PG Calc's 2018 Webinar Series

Mike Valoris, PG Calc Senior Consultant, will present our first of twelve monthly Webinars in 2018, "Dear Donor, Please Forgive Me: Avoiding Gift Annuity Mistakes," on January 25. In addition to this and other sessions on gift planning topics led by experts on our staff, we will be offering Webinars by outstanding guest presenters Russell James, Craig Smith, Laura Hansen Dean, and Erik Dryburgh. We are also thrilled to be welcoming back Craig Wruck in July to lead his four-session *Fundamentals of Planned Giving* course.

Our 90-minute Webinars - which include 30 minutes of Q & A and a paper and slides that are yours to keep - are a bargain at just \$95/session, no matter how many people watch at your end. Sign up for all twelve, and get 25% off the regular price!

[Learn More and Register](#)

PGM Anywhere Updated for New Tax Law; PGM Update to Follow Soon

Yesterday (January 17), we updated *PGM Anywhere*, our online version of *Planned Giving Manager (PGM)* for tablet, laptop, and desktop computers, to reflect tax provisions signed into law on December 22, 2017. *PGM Anywhere* users, you don't need to do anything to update your software. *PGM Anywhere* is web-based, so we were able to update it for you. Click the "release notes" link on the login screen to learn the details of what's new. An email announcing the update to all *PGM* clients is going out today.

PGM users, we are currently testing the changes we have made to *PGM* in response to the new tax law. These changes are more extensive than in *PGM Anywhere*. We expect to be ready to send a release email to all *PGM* clients with download instructions later this month.

Filing Deadlines for 1099-Rs and K-1s

PG Calc's *GiftWrap* software produces all the tax forms and files listed below. For more information or assistance, please contact Client Services at 888-474-2252 or support@pgcalc.com.

1099-R Filing Deadlines for Charitable Gift Annuities

Recipient	Format	Deadline	Form or File	Notes
To Annuitant	Paper form	1/31/2018	Copy C (B if Federal tax was withheld)	OK to mask SSN on form.
To IRS	If paper forms	2/28/2018	Copy A	Never mask SSN on form or incur fines.
To IRS	If electronic	4/2/2018	Electronic filing required if more than 250 returns.	If first time filing electronically, apply for TCC code 45 days prior to deadline.

K-1 Filing Deadline for Pooled Income Funds

K-1s for pooled income fund beneficiaries aren't legally due until 4/17/2018, but beneficiaries will be looking for them in February, so prepare earlier if possible.

GiftWrap produces all the tax forms and files listed above. Contact Client Services at 888-474-2252 or support@pgcalc.com for more information or assistance.

Upcoming PG Calc Training Opportunities

Join us soon for a *Planned Giving Manager* training! On February 8 and 9, we will be in New York City, and on March 14 and 15, we will be in Atlanta.

The first day, the *Introductory* session, will give you an opportunity to illustrate various gift types while learning the robust features of the software. The next day, the *Advanced* session, we will discuss more complex charitable gift options, including flip trusts, retained life estates, testamentary gifts of retirement assets, and charitable lead trusts, and will demonstrate how to illustrate them in the software.

On April 10 at our offices in Cambridge, we will offer a session on gift administration best practices using PG Calc's *GiftWrap* software. This will be followed the next day by a session on *GiftWrap* reporting and analysis. You'll learn how to use *GiftWrap*'s powerful capabilities for all your reporting needs, such as generating FASB liabilities and State Reserve reports, and producing payments and tax forms for your annuitants.

For our full 2018 training schedule, [click here](#).

We look forward to seeing you!

Bryn Mawr Chooses PG Calc as Its Marketing Services Vendor

At the beginning of 2013, Bryn Mawr College contacted PG Calc, as they were preparing to launch a new website for the College, and wanted to launch a new planned giving website at the same time. After consulting with PG Calc, Bryn Mawr chose us for our expertise in planned giving, and our stellar client services staff.

Dianne Johnson, Bryn Mawr's Director of Gift Planning & Senior Philanthropic Advisor, had this to say about PG Calc's *Marketing Services*:

"As a women's college, it is very important to customize the language on our planned giving website, and in particular, offer gift examples that feature women. The site content, configuration, and menu have all been tailored to reflect the culture of Bryn Mawr. The ability to edit the text 'in-house' provides flexibility to respond to new giving opportunities and keep the website fresh and up-to-date. PG Calc is an invaluable partner for our e-marketing program."

BRYN MAWR

COLLEGE

Learn more about [Bryn Mawr](#).

Learn more about PG Calc's [Marketing Services](#).



Sales:

info@pgcalc.com

888-497-4970

Support:

support@pgcalc.com

888-474-2252