

Alum Creates a New Legacy for Millsaps

In 1982, high school senior David Loper, '86, had a dilemma. He wanted to attend Millsaps College. David's father, the late William Eugene Loper, graduated from the College in 1953, and David wanted to continue the Millsaps legacy.

Legacies had always been important to the Loper family. David graduated from St. Joseph's High School in Jackson, the same Catholic school that his great-grandmother, grandmother, father, and brothers had attended. While David was preparing to attend college, his two older brothers, William Eugene Loper III and Jeffrey Charles Loper, were in graduate school.

David knew that if he decided to attend Millsaps this would place a great financial burden on the family. His mother worked in the home, and his father was a federal probation officer. David's dreams came true when he was awarded a scholarship that covered much of the cost of attending Millsaps. His scholarship was made possible by the forethought and generosity of previous Millsaps alumni who had left provisions in their wills for scholarships.



David Loper '86

"Without that scholarship, I would not have been able to choose Millsaps," David said.

Inspired by others' generosity, David decided to make provisions in his own estate plans to fund a Millsaps scholarship. First, he purchased a life insurance policy and named Millsaps as the beneficiary. He also added a codicil to his will designating that a percentage of the residue of his estate go to the College for the scholarship.

After first providing for loved ones and ensuring that their charitable intent is in proportion to other legacies, many Millsaps Heritage Society members choose to designate a percentage of the residue of their estate for the College.

"It is easy for anyone to add the College to their estate plan," David

explained. "For those who have kids in college, live on a fixed income, or feel financial strain, leaving a percentage of your assets won't affect your everyday life. It enables you to give back to something important to you, like the College, and I wanted to make it easier for a student to attend Millsaps and have the same opportunity that I had in 1982.

"I worked in the Millsaps admissions office for two years after graduation and came to appreciate just how many extraordinary high school seniors want to attend Millsaps. The College does not have the financial resources to award scholarships to all of these deserving students, and so many of the students interested in Millsaps don't have the family financial resources to pay for it on their own."

David's education at Millsaps led him to choose law as a vocation. Growing up in Jackson, he personally knew only a handful of lawyers and, without his Millsaps experience, he doubts he would have chosen to study law. David had numerous friends at Millsaps who were accepted to prestigious law schools around the country, and they encouraged him to apply.

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People and Property: the Foundation of Your Estate Plan

The process of reviewing your plans for the future need not be overwhelming. You may find it helpful to begin by spending some time organizing your intentions. This can help simplify what may otherwise become a confusing process.

A good place to begin is with two lists: “People” and “Property.”

The “who” of your plans

People—your family and other loved ones—constitute the first list. With the passage of time, events such as births, marriages, and deaths can change the make-up of families.

Be sure to list each person for whom you wish to provide:

- Your spouse, children, or other family members
- Close friends and associates

Many also choose to include charitable interests like Millsaps College in the same category as the people in their lives.

The “what” of your plans

Next, list property you own or are likely to own in the future. Include pertinent information about:

- Your home(s) or other real estate
- Securities (stocks, bonds, and mutual funds)

- Other investment assets
- Pension plans and retirement accounts (including IRAs)
- Life insurance policies
- Savings accounts and certifi-



Murrah Hall

cates of deposit

- Personal property (household furnishings, automobiles, jewelry, antiques, art, etc.)
- Inheritances you expect to receive

Along with your assets, make a list of debts or liabilities. When you have completed this

list, subtract the liabilities from the total value of your assets to arrive at your approximate net worth.

It is also a good idea to list the income, if any, produced by each category of property.

Assets that produce income might be useful for some loved ones. Other property that may be increasing in value but yields little income may best be used to provide for those for whom future value is more important than current income. Some properties may be more suitable than others for funding charitable gifts.

Matching people with property

Next, compare your assets to the “People” list. Some properties should obviously be given to certain people. Of the remaining assets, consider how you wish to distribute them—by percentages to different recipients, by specific amounts of cash or property, or in other ways.

Once you have an idea of how you would ultimately like to match your property with the people in your life, your attorney and other advisors can help you determine which tools are best for accomplishing your goals.

Enjoy Benefits From Giving Today

Now that tax law changes make it possible for many to leave more property to loved ones free of estate tax, you may wish to reexamine the role of charitable gifts as part of your will and other long-term financial plans.

Other ways to give

A number of popular tools enable you to complete gifts in the near term while retaining income for life or another period of time for you and/or a spouse or other loved one. In so doing, you can avoid capital gains tax that would otherwise be due on the sale of the donated assets, enjoy a charitable tax deduction that can immediately reduce income tax, and still minimize or eliminate estate taxes just as if the gift were arranged as part of the settlement of your estate.

Income for life

Nora and Tom have included charitable gifts to Millsaps through their wills. They have recently been told that under current law they may no longer be subject to estate taxes.

In consultation with their advisors, they decide to transfer assets that have increased in value—but which yield little income—to make an eventual charitable gift while they receive generous income payments for the remainder of both of their lives. In this way, they avoid payment of capital gains tax that would have been due on a sale of the stock and are entitled to a charitable income tax deduction that will serve to eliminate tax on a large portion of their income. A percentage of the payments they receive each month will be taxed at rates lower than that paid on other income.



The Bowl

Whatever funds ultimately remain will be used by Millsaps, as Nora and Tom have designated. They are very pleased with their gift and welcome the tax and other financial benefits.

How Your Will Can ‘Work Twice’

Married couples often make wills that provide for trusts to manage assets for the benefit of a surviving spouse for their lifetime. Known as a **marital deduction trust**, this plan typically results in elimination of tax at the death of the first spouse while providing income for the surviving spouse for the remainder of his or her life.

Access to assets in the trust can also be arranged if needed.

Such plans can provide for professional management of funds and other safeguards for the benefit of the spouse.

What if you would like to make charitable gifts as part of your estate plan but want to first assure economic security for your spouse? Your will can serve to create a marital trust for the benefit of your surviving spouse for life, while directing that all or

a portion of what remains at the death of the spouse is devoted to charitable use.

In this way, your will can actually “work twice.” First, it helps assure the financial well-being of your spouse, then it works again to direct the ultimate distribution for charitable purposes of your choosing.

A New Legacy... *continued from page 1*

David was accepted to the Tulane University School of Law, where he obtained his J.D. in 1991. For 13 years, David tried cases in private practice before accepting his current position as senior counsel for Protective Life Corporation in Birmingham. David is also currently the national president of the Millsaps College Alumni Association.

David credits his classmates, the College faculty, retired Dean of Admissions John Christmas, and retired Millsaps Chaplain Don Fortenberry for his academic success and leadership growth.

“Dean Christmas taught me that leadership is about making firm decisions and accepting the consequences,” he said. “From Don Fortenberry, I learned the tremendous value of an optimistic spirit and the ability to connect with all sorts of people. As an attorney, you can’t win a trial if the jury doesn’t connect with you.”

A legacy is all that one has gained and all one hopes to give back. Many Millsaps alumni have experienced a situation similar to David’s, where the encouragement of faculty, staff, alumni, and friends

has helped to shape who they are and who they will become. If you are considering your gift to Millsaps, why not consider adding a bequest to your will and designating a percentage for the College? With just a few hours of planning, your will can be completed, your provisions to loved ones fulfilled, and the chance to create your own legacy at Millsaps accomplished.

If you would like additional information on leaving assets in your will or any of the planned giving options at Millsaps College, contact Dudley Marble at (601) 974-1026 or at marblrd@millsaps.edu.

Why Consult an Attorney?

With a variety of “do-it-yourself” will planning kits on the market, is there a real need to go to the trouble and expense of hiring an attorney to plan your estate?

For most persons, the answer is probably **yes**. By working with an attorney who is experienced in estate planning matters, you will see firsthand how he or she can help you and your loved ones by:

- Recognizing pitfalls and taking steps to minimize their impact.
- Staying current on complex state and federal laws, including changes that occur and court interpretations of such laws.
- Helping to reduce or eliminate estate taxes.
- Being familiar with legally correct wording so that your wishes are accurately conveyed.
- Making sure that the impact of insurance and retirement plan designations are considered.
- Safeguarding documents once they are completed.

Failure to make estate plans can place a tremendous strain on loved ones at a most difficult time. Investing a moderate amount of time and other resources in good advice today may prevent unpleasantness for those you care about most.

Attorney’s fees for estate planning can be quite reasonable, and most will commit to a maximum fee in advance. If you do not have an attorney, or if you need an estate planning specialist, ask for recommendations from friends, relatives, or your local bar association.

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