

Make Your Money Matter: When You Don't Need Your IRA



Neil Lapidus, 1% Club Member

It's estimated there are currently over \$14 trillion dollars in various forms of retirement plans, most of which will be transferred to family members as an inheritance. But when you do the math, how much of these dollars will actually benefit those who inherit these funds?

For those individuals whose estates are large enough to pay estate tax, it's estimated that after taxes, an heir can expect to receive perhaps only 25 cents on the dollar from the inherited retirement assets. In other words, the estate tax and income tax could consume 75 percent of the inherited retirement assets!

Therefore, what better asset could there be to fund your charitable bequests? Charity receives 100% of the asset unreduced by taxes. The simplest way to benefit charity is to name your charity of choice as the beneficiary of your IRA. If you have a large IRA and only want a specific amount to go to charity, simply separate your IRA into two or more IRA's. Each IRA can have different beneficiaries. If you later change your mind and want a different amount from your IRA to go to charity, you have the ability to make the change. To make your money matter, consider the benefit of IRA's in your charitable planning.

From the Mailbag — in response to a position promoted by a charity featured in last month's newsletter

WHY RAISING STATE TAXES FOR ABOVE AVERAGE INCOME IS A BAD IDEA

By J. A. Howard

1. The assumption that the increased revenue would be targeted toward certain desired expenditures is unrealistic. Once the Government has the money, it will decide where the money goes.
2. Giving money to the Government to accomplish social change is always wasteful compared to doing it via the Private Sector.
3. People who make \$50,000 or \$100,000, or \$300,000, or whatever, are not equal one to the other simply because their income is the same. Some have children in college, parents in nursing homes, debts that must be paid off, or any of many other obligations that place a call upon their income, while others, as this "raising taxes" proposal seems to infer is true for all, may be free and clear of such obligations. Let those like the latter make whatever contributions they can and want to make; don't demand it of those less able.
4. How many affluent Minnesotans have already changed their residency to other states, and how wise it is to give others even more incentive to do so.

In sum, the proposal is economically unsound, elitist, and fundamentally unfair.

The One Percent Club
1035 E. Franklin Avenue
Minneapolis, MN 55404
Tel. (612) 455-5198
Fax (612) 455-5101
www.theonepercentclub.org

Giving
11%
of Net Worth
Back to the Community

11%
The ONE PERCENT CLUB
Giving Back

Edition #84 September 2006

The mission of the One Percent Club is to increase charitable contributions in our community by engaging people to commit to a minimum standard of giving: the greater of 1% of net worth or 5% of income annually.

**LAST CHANCE FOR
September 13, 2006
ANNUAL DINNER
5:30 – 8:30 P.M.**

**Michael V. Ciresi
Keynote Speaker**

will speak on
*"Minnesota's Culture of Investing
in the Common Good -
Flourishing or Eroding?"*



If you have not mailed your RSVP card, please do so ASAP. Or call (612) 455-5198 for reservations. \$75 per person.

BIOGRAPHY OF KEYNOTE SPEAKER MICHAEL V. CIRESI

Michael V. Ciresi is a name partner and Chairman of the Executive Board of Robins, Kaplan, Miller & Ciresi, L.L.P., and has been instrumental in the growth and diversity of the firm's practice. The firm, with its principal office in Minneapolis, is internationally recognized for its expertise in litigation. Mr. Ciresi's trial practice and consulting is focused in the areas of product liability, intellectual property, business and commercial litigation. Mr. Ciresi has acted as counsel for corporations, individuals and governmental entities throughout his career. Some of his more visible cases include the State of Minnesota and Blue Cross and Blue Shield of Minnesota v. Phillip Morris Incorporated, et al., Honeywell vs. Minolta, Unocal Corporation v. Atlantic Richfield Company, et al., Ecolab v. Ford, et al., the Dalkon Shield litigation, Copper-7 litigation and the Government of India vs. Union Carbide in which Mr. Ciresi was chief counsel to the Government of India. The Honeywell litigation involved actions against the entire camera industry for infringement of Honeywell's autofocus patent. During the course of his career he has taught and lectured nationally and internationally to various professional and business groups. Mr. Ciresi is one of the few number of lawyers who has been recognized on two occasions in the *National Law Journal's* annual list of Ten of the Nation's Top Trial Lawyers, and in both 1997 and 2000 was named by the *Journal* as one of the 100 Most Influential Lawyers in America. In 1997, he was also named A Lawyer of the Year by *Minnesota Law & Politics*. In 1998, he was awarded the "Trial Lawyer of the Year Award" by The Trial Lawyers for Public Justice Foundation. He has also been listed in *The Best Lawyers in America* since 1989 and was honored by the Australian National Consumer Law Association as Product Liability Lawyer of the Year in 1989 and in 1998 was given a "Lifetime Achievement Award" by the Minnesota Trial Lawyers Association. Mr. Ciresi was named a runner-up for A Lawyer of the Year in 1998 by *The National Law Journal*. In 2000, he was a candidate for the United States Senate in Minnesota. In 2001, Mr. Ciresi was named best product liability attorney in America by *Corporate Board Member* magazine. Also, in 2001, an Honorary Degree of Doctor of Laws was conferred upon Mr. Ciresi by Southwestern University School of Law. In 2002, Mr. Ciresi was awarded the Ellis Island Medal of Honor by the National Ethnic Coalition of Organizations Foundation, Inc. Mr. Ciresi is one of 289 lawyers listed in *The International Who's Who of Patent Lawyers 2005* and is named in *The Lawdragon 500 Leading Lawyers in America*. He is also a member, among other professional organizations, of the American Board of Trial Advocates, American College of Trial Lawyers, Inner Circle of Advocates and International Academy of Trial Lawyers. He serves on the Board of Trustees for the University of St. Thomas, the Board of Governors of the University of St. Thomas School of Law, the Advisory Board for the Centre of Advanced Litigation at Nottingham Law School, Nottingham, England, the Board of Directors for The National Association for Public Interest Law, The Guthrie Theater (term completed 2005) and Ordway Center for the Performing Arts (term completed 2005).

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