A close-up photograph of a woman's face, which is the central focus. Her eyes are looking directly at the camera. Her face is framed by two hands, one on each side, with the fingers spread to create a rectangular opening around her head. The lighting is soft and warm, highlighting her features. She has dark hair and is wearing a dark red or maroon top.

# **Why Financial Planners Should Study Charitable Planning**

Dr. Russell James  
Texas Tech University

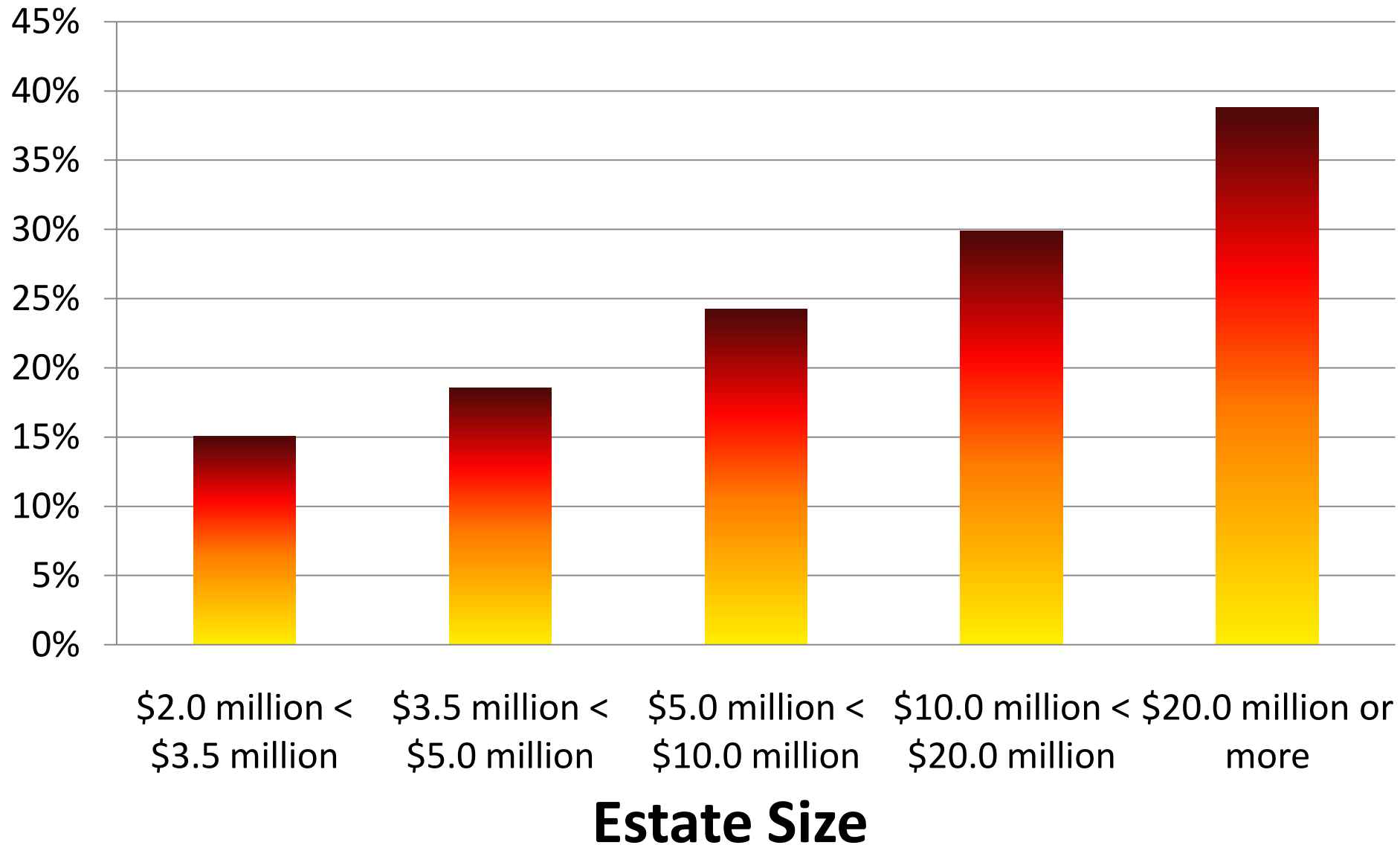
A person is kneeling on a sandy surface, using a stick to draw a circle in the sand. The person's legs and hands are visible, and the sand is light-colored. The scene is outdoors, and the lighting suggests it might be daytime.

1.

The clients you  
want care about  
charitable planning

# Estates including charitable planning

## (IRS Statistics of Income 2008)





## 2. The clients you really, really want care about charitable planning



# 38 Billionaires to Donate Half of Their Fortunes to Charity

By HEATHER HORN August 05, 2010 1:10pm



AUGUST 4, 2010, 11:21 A.M. ET

The Giving Pledge: list of 38 billionaires designed to encourage them to start an inter

## Oracle's Ellison, 40 Billionaires Pledge Wealth To Charity

By Heather Horn and Bill Pohl  
OF DOW JONES NEWSWIRES

NEW YORK (Dow Jones)--Billionaire and Oracle Corp. (ORCL) Chairman Larry Ellison will join movie George Lucas and 38 other billionaires who are following a call made in June by Warren Buffett and Melinda Gates to pledge the majority of their wealth to charity.



Thursday, August 5, 2010

## Marcus, Turner pledge wealth to charity

Atlanta Business Chronicle

The world's richest people, including two Georgia billionaires, are banding together to pledge their wealth to charity.

Bornie and Billi Marcus and Ted Turner are among 40 who have joined "The Giving Pledge" campaign, which asks the wealthiest individuals and families in America to commit to giving the majority of their wealth to the philanthropic causes and charitable organizations of their choice either during their lifetime or after their death.

## The Seattle Times

Wednesday, August 4, 2010 - Page updated at 11:16 AM

Permission to reprint or copy this article or photo, other than personal use, must be obtained from The Seattle Times. Call 206-464-3113 or e-mail resale@seattletimes.com with your request.

## 40 wealthy families pledge to donate their money

The Associated Press

Six weeks after Microsoft co-founder Bill Gates and billionaire investor Warren Buffett launched their campaign to get other American billionaires to give at least half their wealth to charity, 40 other families and individuals have joined them.

## Kaiser, Pickens Take The Giving Pledge

Posted: Aug 05, 2010 8:48 PM CDT

Updated: Aug 05, 2010 9:50 PM CDT

By Ashli Sims, The News On 6

TULSA, OK — Take Oprah's net worth, double it and that's how much money a Tulsa man is pledging to give to charity.

## Domino's Pizza Founder Monaghan Among Those Giving To Charity

Posted Thursday August 5, 2010 1 week, 1 day ago



(Updated) — Tom Monaghan is pledging to give away at least half of his wealth to charity. The founder of Domino's Pizza and former Detroit Tigers owner joined with many of the richest people in the country to make the promise, including Bill Gates and Warren Buffett. Called the Giving Pledge, participants are trying to address the most pressing problems in society by giving billions of dollars to charity. Also taking part are George Lucas, New York City Mayor Michael Bloomberg and Ted

## Sharing the wealth is billionaires' new credo

Thursday, August 5, 2010

BY DONNA GORDONBLANKINSHIP  
The Record  
THE ASSOCIATED PRESS

SEATTLE — Forty wealthy families and individuals have joined Microsoft Corp. co-founder Bill Gates and billionaire investor Warren Buffett in a pledge to give at least half their wealth to charity.



Los Angeles Business from bizjournals  
Wednesday, August 4, 2010

## Lucas signs billionaire charity pledge

Los Angeles Business from bizjournals - by Mark Calvey of the San Francisco Business Times

The man behind "Star Wars," George Lucas, has joined the group of 40 billionaires who pledged to give at least half of their wealth to charities.

## Hong Kong's richest man Li Ka-shing vows to donate more

(AFP) — Aug 5, 2010

HONG KONG — Hong Kong's richest man said Thursday he would donate more generously to charities, but stopped short of following the 40 US billionaires who pledged to give at least half of their fortunes away.

Li Ka-shing, who has amassed his estimated \$21.3 billion U.S. dollar fortune by investing in ports



# 3.

## You can provide **BIG\*** value to clients



\* We aren't talking about 3 extra basis points on a comparable risk-adjusted portfolio here...

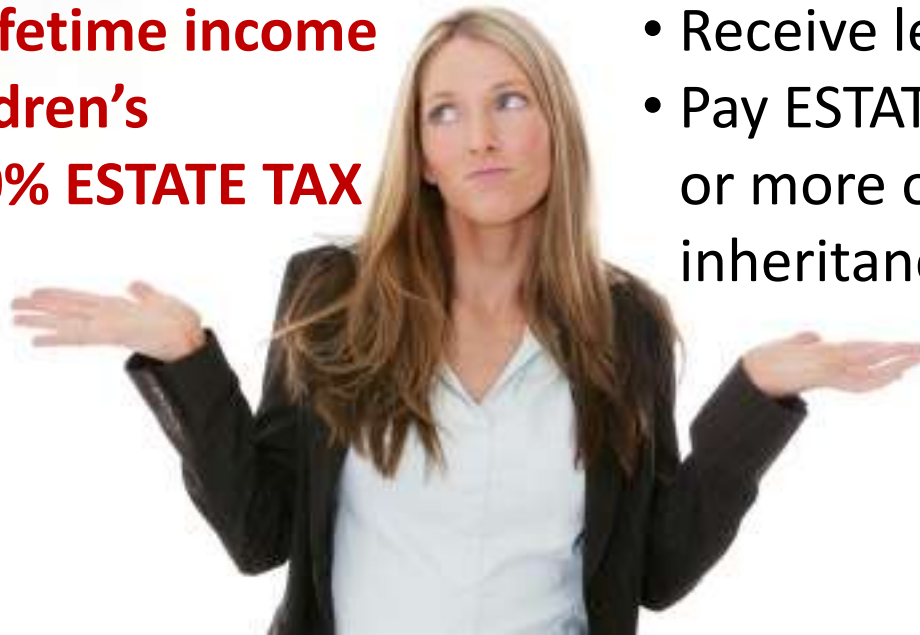
**A couple wants to sell their \$10 million low-basis business, invest in securities returning 5%, withdraw 5% per year, then at death leave half to children and half to charity**

**With sophisticated charitable planning (CRT-ILIT) they can**

- **Receive an immediate INCOME TAX deduction**
- **Pay no CAPITAL GAINS TAX on the business sale**
- **Receive more lifetime income**
- **Make their children's inheritance 100% ESTATE TAX free**

**Without sophisticated charitable planning they**

- **Receive no INCOME TAX deduction**
- **Pay all CAPITAL GAINS TAX on the business sale**
- **Receive less lifetime income**
- **Pay ESTATE TAXES taking half or more of the children's inheritance**







4. Yes, you  
can even  
make  
money  
doing it

Did I mention that last  
transaction involves the  
sale of a \$5,000,000+  
life insurance policy?



**5. What is the hottest part of the financial services industry right now?**





(Here is a hint...)

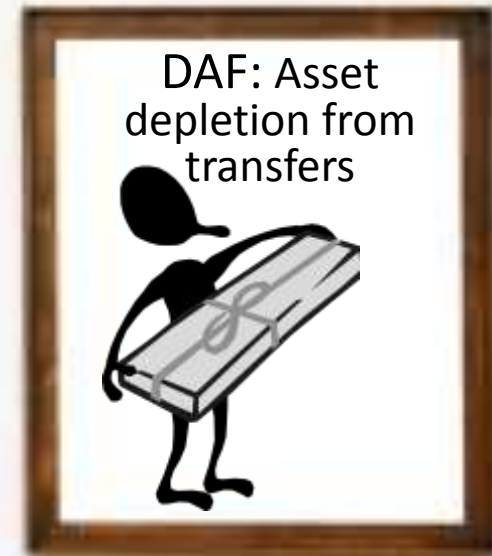
## **SCHWAB CHARITABLE REPORTS RECORD ANNUAL CONTRIBUTIONS**

**National Donor-Advised Fund Receives over \$925 MM in Contributions for Fiscal Year 2010**

**SAN FRANCISCO, July 15, 2010** — [Schwab Charitable](#), one of the nation's largest and fastest growing national donor-advised fund organizations, reports that contributions from its donors for fiscal year 2010 reached the highest level in its 10 year operating history. A donor-advised fund is a charitable vehicle that allows donors to realize the possible tax benefits of charitable giving, while flexibly supporting their favorite charities over time.

Contributions for the twelve month period ended June 30th rose to over \$925 million, up 92% from the

## 6. Donor advised funds may be assets under management



**Both may be largely second generation activities**

## **7. Make a difference, not just a dollar**



Knowledgeable financial planners can effectively encourage generosity and consequently profoundly affect on our world.



# 8. Spread some happiness



Sunday, November 1, 2009

## Charitable Giving, Wealth, and Happiness

[A new book](#) reveals that those who are wealthy and donate 10% or more of their income build a higher net worth and are happier than other wealthy people. The book was written by Thomas J. Stanley based on a survey of over 900 millionaires. [A](#)

### Why Giving Makes You Happy

By **ARTHUR BROOKS** | December 28, 2007

 Print  Send  Comment  Share

AS WE APPROACH YEAR'S END, YOUR MAILBOX IS filling up with fundraising appeals from various charities and causes, hoping to capitalize on your holiday cheer — or at least, your effort to avoid a bit of 2007 income taxes through deductible

9. Learn how to  
help families  
pass along both  
value and  
values



**10.**

**Assist your  
favorite  
charities in  
providing  
planned giving  
services to  
their donors**



# Help me

convince my bosses that continuing to build and post these slide sets is not a waste of time. If you work for a nonprofit or advise donors and you reviewed these slides, please let me know by clicking

**HERE**








If you clicked on  
the link to let  
me know you  
reviewed these  
slides...

**Thank  
You!**

For the audio lecture  
accompanying this  
slide set, go to  
**[EncourageGenerosity.com](http://EncourageGenerosity.com)**



A close-up photograph of a woman's face, which is the central focus. Her eyes are looking directly at the camera. Her face is framed by two hands, one on each side, with fingers spread, creating a rectangular frame around her head. The background is a soft, out-of-focus light color. The woman has dark hair and is wearing a dark red or maroon top.

# **Why Financial Planners Should Study Charitable Planning**

Photos from  
istockphoto

# Graduate Studies in Charitable Financial Planning

at Texas Tech University



This slide set is from the introductory curriculum for the Graduate Certificate in Charitable Financial Planning at Texas Tech University, home to the nation's largest graduate program in personal financial planning.

To find out more about the online Graduate Certificate in Charitable Financial Planning go to

[www.EncourageGenerosity.com](http://www.EncourageGenerosity.com)

To find out more about the M.S. or Ph.D. in personal financial planning at Texas Tech University, go to

[www.depts.ttu.edu/pfp/](http://www.depts.ttu.edu/pfp/)

