



# The First Parish in Needham Unitarian Universalist Capital Campaign Newsletter

Third Edition (Still Collectible!)

November 2005

## ***Building Excitement:*** **Design Team Reports**

Carl Franceschi from the Building Design Team updated a rapt audience during a Campaign Informational Session held Oct. 16. Carl offers the following summary:

“We’ve responded to our charge to come up with 3 options: \$1.75, \$2M & \$2.25M; although it appears that the \$1.75M construction cost is unreasonably low to accomplish the required improvements. We’re gathering feedback from the congregation on the other 2 options, please see the plans in Parish Hall and on the church website and pass along your thoughts to the Building Design Team. Options are being priced by a professional cost estimator including the possibility of all new construction.”

Save the Date:  
March 4, 2006  
Campaign Kickoff Dinner

## ***\$\$ SHOW ME THE MONEY! \$\$*** **Next Capital Campaign Informational Session on Finances** **All Parishioners Invited!** **Sunday Nov 13 11:45**

Dave Hansen from the Building Finance Team will present an overview of the estimated costs and how we can pay for them. Nancy Simpson-Banker will moderate, share her fund-raising wisdom and encouragement, and provide smelling salts.

## ***Building for the Future:*** **Theme contest winner Christine Harrington tells all**

“We started attending First Parish almost exactly one year ago. We love the multi-generational community that First Parish provides. We have already made some great friends and look forward to getting increasingly involved in church events and committees. (And everyone just ogles over our baby during the services--I love that!!).” Christine has graciously declined the well-deserved prize (gift certificate) for her entry, saying : “Please put this money towards the capital campaign, I’m so excited about this project, and every little bit helps!”



*Capital Campaign Steering Committee:* Campaign Co-Chairs: Helen Lane and Dick Eastman; Leadership Division Co-Chairs: Eileen Vincent & Bob Rands; General Division Co-Chairs: Mick Provencher & Christine Harrington; Follow-up Division Chair: Tom Gehman; Communication: Les Kobzik; Leadership Event Chair: Ruth Kolbe; Building Finance: David Hansen; Kick-Off Event Co-Chairs: Nur Kilic and Pam Pierce; Facilitator: Nancy Simpson-Banker



## Capital Campaign Update

Temporary Legislation May Make Year End Giving Attractive to Certain Donors. If this article applies to you, call Helen Lane or Dick Eastman!

The Hurricane Katrina relief bill, unanimously passed by the House and Senate on September 21, and signed into law by the president on September 23, has made changes to tax law designed to encourage certain outright gifts of cash made during the period August 28, 2005 – December 31, 2005.

### Highlights of this new legislation include:

- *The contribution limit for certain outright gifts of cash has increased from 50 percent of adjusted gross income to 100 percent of adjusted gross income.*
- *These same outright gifts of cash also are exempt from the three-percent reduction in itemized deductions for individuals with an adjusted gross income over \$145,950.*
- *Cash gifts to a private foundation, supporting organization, or donor advised fund do not qualify for the higher limit or the three-percent rule exemption.*
- *These changes may present some donors with an attractive opportunity to fund outright gifts with assets withdrawn from an IRA or other qualified retirement plan.*

### **An Opportunity for People with IRAs and Qualified Retirement Plans**

Because of the increase in the deduction limit, people who have more money in their IRAs or other qualified plans than they will likely need for retirement security, and who are at least 59 and 1/2 years of age, may want to consider withdrawing assets and contributing them to a charity. Upon withdrawal, the assets, as before, will be added to adjusted gross income, but the full amount added to income will then be deductible from income, resulting in a “wash.”

Before taking such action, donors should consider how increasing their adjusted gross income may reduce the amount they can deduct for medical expenses and casualty losses, accelerate the phase-out of personal exemptions, and cause some loss of other itemized deductions. Although the amount withdrawn from an IRA or other qualified plan and then contributed will not be affected by the three-percent reduction in itemized deductions, other itemized deductions, as well as the personal exemption, may be diminished with a rise in adjusted gross income.

Notwithstanding these possible consequences, withdrawing and contributing assets from an IRA or other qualified plan during this window of opportunity may make sense.

### **Conclusion**

*Donors should consult their tax advisors about both the optimum amount to contribute in 2005 and the advisability of making contributions from their IRAs or other qualified plans.*

*IF THIS LEGISLATION APPLIES TO YOU AND YOU WISH TO MAKE YOUR CAPITAL CAMPAIGN PLEDGE (OR PLEDGE PAYMENTS) BY YEAR END, PLEASE CALL HELEN LANE (781-235-4911) OR DICK EASTMAN (781-444-8386)*