Mining for More Opportunities

- Long-term capital gains and qualified dividends will continue to be taxed at a maximum of 15%, instead of the 20% rate that was to have taken effect after 2010. (The rate is zero for taxpayers in the 10% and 15% tax brackets.) An increased tax credit for gifts and generation-skipping transfers – $5 million of shelter in 2011 and 2012 – creates an opportunity for grandparents to shift assets to family members in lower tax brackets. Although the annual exclusion amount – the amount that can be passed gift tax free to as many recipients as a donor wants – remains at $13,000 for 2011, any excess will be sheltered up to $5 million. Future growth of gift assets generally won’t be subject to gift or estate tax, and future investment income may be taxed at low rates.

- Surviving spouses can now “inherit” unused estate tax credits. If a husband, for example, doesn’t use his entire estate tax credit at death – sheltering $5 million through 2012 – his widow can use the balance of his credit, as well as her own, to shelter a total of $10 million from estate tax. In past years, special trusts or other planning was needed. You may find that the larger credit will allow your estate to pass totally estate tax free. That may make it possible for you to include charitable bequests that will continue the support you have given to DePaul long after your lifetime. If you’d like to discuss how a thoughtful bequest can provide needed financial support for our future and satisfaction for you, please feel free to contact our Planned Giving office at (312) 362-8268.

Many Dreams. One Mission.

The Many Dreams, One Mission Campaign for DePaul University is a historic initiative undertaken in support of one of America’s great universities. It will ensure that DePaul continues to deliver on our founding promise: an excellent education for any talented student who seeks it. Philanthropic investment through the Campaign will build on and extend the academic opportunities and excellence that has come before and raise DePaul to even greater heights.

The Campaign seeks to raise $250 million by 2014 to:

- Increase student financial assistance
- Invest in areas of academic excellence university wide
- Help recruit and retain top faculty
- Develop programs and campus facilities that serve and improve communities
- Strengthen DePaul’s Vincentian Catholic values

At the heart of the Campaign is $100 million in new scholarships. This priority reflects DePaul’s historical, fundamental commitment to providing an excellent education to any student who dreams of it, without regard to economic circumstance.

A Charmed Life: Don and Judy Ulias Establish a Scholarship for Veterans

Don Ulias (LAS ’57) will be the first one to tell you that he and his wife, Judy Ulias, have lived a charmed life.

“I’ve been a very fortunate person to have gone to DePaul, met the people there that I did, married the girl I did and had the job I had,” says Ulias, who retired in 1999 as Director of Field Operations for Bosch Power tools. “The genesis of our charmed life is definitely DePaul. If I hadn’t gone to DePaul, we wouldn’t have had the life we did.”

An indifferent DePaul Academy student, Don was more likely to visit the neighborhood malt shop and tinker with automobiles than study. His highest aspiration at the time was to follow his father into a truck driving career. But as he approached high school graduation, Don realized that he wanted more than that. He, like many of his DePaul Academy classmates, wanted to attend DePaul University and be the first in his family to earn a college degree.

Don’s grades at DePaul Academy, however were not up to Universities’ standards for admission. He then appealed to the Rev. Theodore Wangler, C.M., the Dean of the College of Liberal Arts and Sciences.

“DEPAUL GIVES THE SCHOLARSHIP to true heroes, the veterans who might need a little help to reach DePaul just like I did.”

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continued on next page
Ulias Scholarship continued
“I realized I was, in a sense, fighting for my future,” says Don. Fr. Wangler, being a Vincentian first and educator second, saw potential in young Ulias, and made him a “deal.” Don would be the first incoming freshman to begin DePaul on academic probation. He could remain at the University as long as he did not earn any grade lower than a C.

Don fulfilled his end of the deal, earning three Bs and two Cs in his first semester. Near the beginning of his second semester, Don found Fr. Wangler standing in the hall, waiting for him.

“Fr. Wangler said to me, ‘I want to congratulate you and welcome you to DePaul University. I knew you could do it,’” says Don. “I don’t believe there is another major university in the United States where administrators care that much about a student.”

“I owe DePaul a lot. It’s that simple.”

While at DePaul, Don grew from a shy teenager into an adult confident in himself and his abilities. He leapt into a sales career, moving with Judy to Miami, Atlanta and Los Angeles and back to the Chicago area as he progressed in his career at Bosch. Along the way, he and Judy raced sailboats on lakes and in oceans and traveled the world from Germany to Hong Kong. “We really went everywhere,” says Judy.

In gratitude to DePaul University and with the guidance of Andrea Wynne, JD, Senior Director of Planned Giving, Don and Judy recently created a $500,000 bequest to establish a scholarship at DePaul for honorably discharged veterans, current members of the military reserves and currently serving members of our armed forces who show both academic potential and financial need. Don, as well as Judy’s father, served in the U.S. Navy.

“I owe DePaul a lot. It’s that simple,” says Don. “And I’m thrilled to be giving my dollar away twice: Once to DePaul and a second time when DePaul gives the scholarship to true heroes, the veterans who might need a little help to reach DePaul just like I did.”

IRA Gift Opportunity Renewed Through 2011
The Tax Act passed last December extended through 2011 the law permitting persons over age 70½ to arrange direct gifts from their IRAs to DePaul University, up to a maximum amount of $100,000.

To make an IRA gift, contact the custodian or trustee of your account. Please call our office, as well, so that we may ensure proper transfer and receipting of your contribution. Donors must be age 70½ or older and own a traditional or Roth IRA. Other retirement plans, such as pensions, 401(k) plans and others are not eligible. If donors withdraw funds and then contribute them separately, amounts withdrawn will be included in the donor’s gross income. It’s vital that the IRA custodian or trustee make the transfer directly. IRA gifts cannot be used to fund life income arrangements, such as charitable remainder trusts or charitable gift annuities.

IRA gifts are most advantageous when they count toward the minimum distributions required of individuals over age 70½ and reduce their taxes. Although no charitable deduction is available, donors save taxes anyway by reducing the amount of income subject to income tax. To learn more about ways you can best use your IRA to benefit DePaul and other beneficiaries, we invite you to request our newly updated publication, Maximize Your IRA.

Tax Changes Encourage Charitable Giving
In addition to extension of the IRA gift opportunity through 2011, the new tax law includes a variety of other provisions promoting charitable giving, including:

- Repeal through 2012 of cutbacks in certain itemized deductions – including charitable deductions – for individuals with high incomes.
- A two-year extension of low tax rates on long-term capital gains and qualified dividends, meaning people who receive such income from charitable gift annuities and charitable remainder trusts will pay tax at only a 15% rate (or 0% in some cases).

New Estate Tax Shelter Doesn’t Exempt Planning
The federal estate tax was scheduled to revive in 2011 on estates above $1 million, with a top rate of 55%, following a one-year repeal in 2010. Congress now has changed the law, reinstating the estate tax for 2011 and 2012, but limited to estates over $5 million ($10 million can be sheltered by married couples), and with a top tax rate of only 35%. A $5 million exemption also now applies to federal gift tax and generation-skipping transfer tax, and the 35% top rate will apply to both taxes. All exemptions will be indexed for inflation after 2011.

The new $5 million exemption from estate taxes means that only a few thousand estates per year will be liable for estate tax. But everyone should remember that estate planning involves much more than estate taxes. All Americans need to plan for a thoughtful distribution of their assets at death, reduction of estate expenses such as probate, state death taxes and income taxes on retirement accounts – and leaving a legacy to future generations.

We encourage all of our friends to take this occasion to review their wills, trusts and other estate planning arrangements. In the process, we hope you will consider making or augmenting a thoughtful bequest to DePaul. Special opportunities exist for tax-wise gifts from IRAs and other retirement plans, life insurance and financial accounts. Keep in mind that you can make a bequest that also provides lifetime income to a spouse or other person. Call our office at (312) 362-8268 for details!