



THE MISSISSIPPI BAPTIST FOUNDATION

Spring 2007

Mississippi Baptist Foundation, P. O. Box 530, Jackson, MS 39205 or call 800-748-1652 or 601-292-3210

“Digesting a Frog”

Schoolchildren and teachers across our land are thrilled that the 2006-07 academic session is drawing to a close. With great anticipation of the upcoming break from school, the final days are marked off the calendar in celebratory fashion.

As a father of three children, I will be the first to admit how quickly this particular school year has flown by. My oldest son will be graduating from high school at the end of May, another son will be completing his first year of high school, and my daughter will be finishing her elementary career and move forward into middle school. To me, the beginning of this current school year seems like yesterday. After all, new clothes, shoes, and school supplies were just purchased a short time ago. Where has the school year gone?

I remember just a few months ago sitting at the supper table with my family following the first or second day of school. One of my sons asked his 5th-grade sister, “How was school today?” In between bites of food, she responded “Good!” Then, she added enthusiastically, “Guess what? This year in 5th grade, we get to **digest** a frog!” What followed at the dinner table was silence as

mom, dad, and two brothers made eye contact with each other while smiles curled slowly across our faces. After a moment, one of her brothers asked, “You mean **dissect**, don’t you?” My daughter retorted, **“Whatever!”**



While the majority of folks would probably prefer not to dissect or digest a frog, many of us often feel like we are doing some of both when attempting to understand estate-planning tools and techniques. Therefore, your friends at the Mississippi Baptist Foundation

present this newsletter in an effort to offer insight and information that will be useful as you exercise Kingdom-minded stewardship in pursuit of your estate-planning and charitable-giving goals. Interspersed throughout this material are pictures of individuals who have utilized the ministries of the Foundation for their estate planning needs. Recent luncheons in Columbus, Meridian and Grenada were held in appreciation of these friends.



Daniel Hall
Executive Director
Mississippi Baptist Foundation

COLUMBUS AREA
September 26, 2006



Betty Coward, President BMC
Betty Jean Dowdle
John & Betty Jean Dowdle Scholarship Fund
Nathan Hamilton, Scholarship Recipient



Jamie Luecke & Sonny Luecke
Mississippi Missionary Parents' Fellowship



Wesley Platt
A. E. Lucas Memorial Fund
Charlie Holcomb
Betty & Frank Warren Trust



Michael Ball, Director MSU BSU
June Scoggins, MSU BSU



Jim Ford, Trustee MBF, **Diane Ford**,
Shawn Parker, Pastor FBC Columbus

Donors honored
at luncheon

The Mississippi Baptist Foundation held three Area Donor Appreciation Luncheons to honor the individuals and their families who have utilized our services to carry out their estate stewardship responsibilities. Information was

provided about the ministry and services of the Mississippi Baptist Foundation. Other functions like this are being planned for this year. Below are pictures taken from each of our functions in the Columbus, Meridian and Grenada areas.

MERIDIAN AREA
March 2, 2007



John R. Tillery
Beth Tillery Memorial for Lottie Moon



Mr. & Mrs. T.C. Pinson
Little Rock
Vira N. Rice Memorial Scholarship



Rev. & Mrs. David Sellers
Toomsuba
Toomsuba Baptist Church



Virginia Williams
Thomas Williams Scholarship Trust



Mrs. Helen M. Smiley
Boswell and Wade Trust Funds

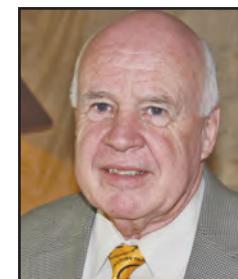


Kelton Valentine
Herbert Valentine Memorial Scholarship Fund for NOBTS

GRENADA AREA
April 26, 2007



Mr. & Mrs. John Keeton
John & Margaret Keeton Trust Fund



Rev. Truman Scarborough
AMD Yalobusha Association



Aubrey & Patsy Boone
Alan & Cindy Boone
Winona
Trust for BCV



Rev. & Mrs. James Allen
Water Valley
Trust Fund to Benefit BCV
Reedy Acres



Mr. & Mrs. Hayes Branscome
Grenada
Charitable Remainder Unitrust
to Benefit BCV



Last Will and Testament

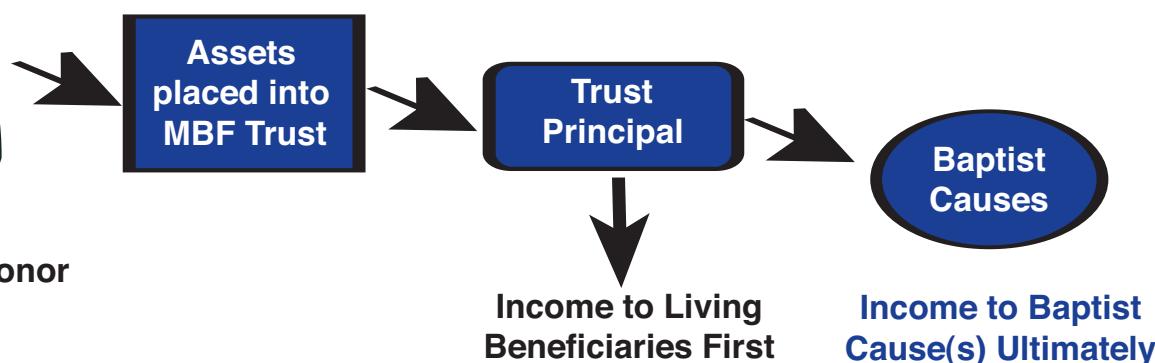
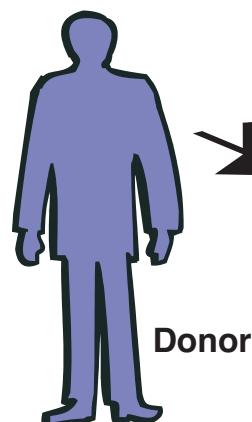
Perhaps the first and foremost estate-planning tool that needs dissecting is the Last Will and Testament. In a nutshell, a Will is a legal document that “speaks” on behalf of a person after their death. Through a Will, an individual is able to communicate the manner by which their accumulated assets (monetary, securities, real property, household items, family heirlooms, etc.) are distributed. Parents may utilize their Will to provide for minor children by establishing a trust and appointing a guardian. Individuals may also favor one or more charitable causes within the context of their Last Will and Testament. Unfortunately, many people neglect to have a valid Will prepared despite all of the blessings and peace of mind that this important document affords. The Foundation strives to encourage every Mississippi Baptist to establish a valid Will. Please contact the Foundation office at (601) 292-3210 for additional information regarding your Last Will and Testament.

Charitable Remainder Trusts

A Charitable Remainder Trust is an estate-planning tool that may need some dissecting in order to understand how these strategies may enhance individual estate plans. When establishing a Charitable Remainder Trust, the donor irrevocably transfers assets – usually cash, securities, or real estate – to a trustee such as the Mississippi Baptist Foundation. The trustee invests the trust’s assets and provides the donor with an income stream for life. Upon the death of the donor(s), the example of generosity and Christian stewardship will yield continual blessings for a designated Mississippi Baptist or Southern Baptist cause such as the donor’s church, the Baptist Children’s Village, our Mississippi Baptist colleges, the Cooperative Program, or missions.

Charitable Remainder Trusts come in the form of a Unitrust or an Annuity trust. Both types of charitable remainder trusts have several common features, while both also maintain a measure of distinctiveness. The benefits of both the Charitable Remainder Unitrust (CRUT) and the Charitable Remainder Annuity Trust (CRAT) include:

- (1) a charitable deduction for income tax purposes,
- (2) possible estate tax benefits,
- (3) the donor(s) receives an income stream



Charitable Gift Annuity

Another estate-planning and charitable-giving tool for which dissection might be helpful is the Charitable Gift Annuity. A Charitable Gift Annuity is a contract between the donor and the Mississippi Baptist Foundation whereby the Foundation invests donated assets and distributes a predetermined income stream for the life of the donor(s). The Mississippi Baptist Foundation administers a host of gift annuities on behalf of individuals who not only need a guaranteed annual income, but who also desire to favor Kingdom ministries with any residual assets in the fund following the annuitant’s death.

Advantages of a Charitable Gift Annuity may include: (1) guaranteed income stream for one or two lives at an attractive pay-out percentage, (2) tax-free income on a portion of the annual distribution, (3) charitable deduction, and (4) residual benefit to Baptist causes. The following table illustrates some of the advantages of a Charitable Gift Annuity:

Benefits of a Charitable Gift Annuity (\$10,000.00*)

Age	Gift Amount	Rate	Guaranteed Annual Income	Tax-Free Income	Taxable Income	Charitable Deduction
60	\$10,000	5.7%	\$570	\$266.19	\$303.81	\$3,580.90
65	\$10,000	6.0%	\$600	\$304.20	\$295.80	\$3,949.00
70	\$10,000	6.5%	\$650	\$360.10	\$289.90	\$4,276.60
75	\$10,000	7.10%	\$710	\$428.13	\$281.87	\$4,688.40
80	\$10,000	8.00%	\$800	\$521.60	\$278.40	\$5,100.60
85	\$10,000	9.5%	\$950	\$675.45	\$274.55	\$5,403.90
90	\$10,000	11.3%	\$1,130	\$849.72	\$280.24	\$5,833.50

*These figures are for illustrative purposes only and should not be construed as tax or financial advice. The \$10,000 figure is merely an example. We would be glad to provide additional illustrations based upon your specific age and annuity amount. Calculations for two lives are also available upon request.

for life, and

- (4) both the CRUT and the CRAT provide residual benefits to a charitable beneficiary(ies) prescribed by the donor within the trust documentation.

Perhaps the primary difference between the Unitrust and the Annuity trust resides in the area of income distribution. A Charitable Remainder Unitrust (CRUT) offers life income which will vary with changes in the trust’s market value. A Charitable Remainder Annuity Trust (CRAT), on the other hand, distributes a fixed annual amount for the life of the donor(s) regardless of shifts in the trust’s market value due to the prevailing economic conditions. Donors desiring the security of a guaranteed income distribution may find an annuity trust arrangement to be the most favorable.

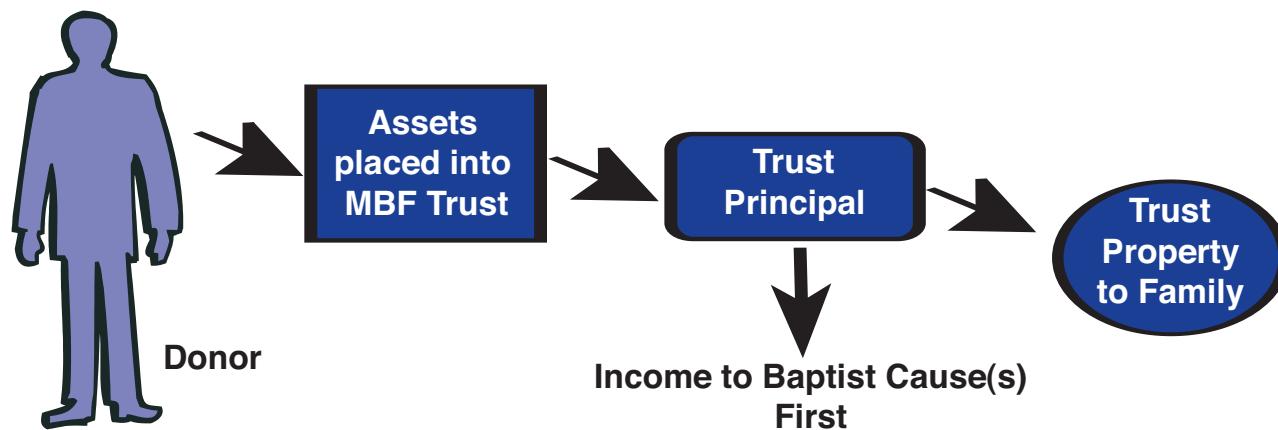
Charitable Lead Trusts

A Charitable Lead Trust (CLT) is a “first cousin” to the CRUT and the CRAT in terms of function and purpose. Wherein a Charitable Remainder Trust provides income benefits to the donor(s) for their lifetime and favors charitable Kingdom causes ultimately, a Charitable Lead Trust functions just the opposite. With a CLT, the earnings derived from the contributed assets are distributed to the charitable cause(s) for a prescribed period of years. Thus, the “lead” interest of the CLT is for the charitable ministries that are

avored by the donor. Then, following the expiration of the stated term, the assets in the trust are distributed to the donor’s living beneficiaries. Typically, the ultimate beneficiaries of a Charitable Lead Trust are the donor’s children or grandchildren.

The benefits of a Charitable Lead Trust may include:

- (1) assisting charitable causes sooner rather than later,
- (2) reducing or eliminating estate and/or gift taxes,
- (3) potential income tax reduction in the form of a charitable deduction,
- (4) opportunity to assist Baptist cause in the present while retaining the trust’s assets for use by future beneficiaries.



In all likelihood, only a handful of us will have the opportunity to *dissect* a frog. Fewer still are the number of folks who will be confronted with the challenge of *digesting* a frog. All of us, however, will face the opportunity and challenge of deciding how to accomplish our stewardship and estate-planning goals. For Christians, these decisions are made by “seeking first the Kingdom of God.” My prayer for you is that you won’t approach your future with a “*Whatever*” kind of attitude.

To this end, please feel free to call our office or use the attached form to request additional information. Your friends at the Mississippi Baptist Foundation look forward to the privilege of coming alongside of you as a “laborer together with God.”

Please send me the following informative brochures

- | | |
|--|--|
| <input type="checkbox"/> Gift Annuities | <input type="checkbox"/> Wills that Work |
| <input type="checkbox"/> Investing for your Church | <input type="checkbox"/> Charitable Trusts |
| <input type="checkbox"/> Planned Giving | <input type="checkbox"/> Security Gifts |

Name _____

Mailing Address _____

City _____

State _____

Zip _____

Telephone () _____

Fax () _____

Email Address _____

“Estate Planning includes maintaining control over my property while I am alive, taking care of me and my loved ones if I am disabled, and giving what I want to whom I want, the way I want, when I want.” — Unknown



THE MISSISSIPPI BAPTIST FOUNDATION

(601) 292-3210 • (800) 748-1651

FAX (601) 968-0904 • www.msbbaptistfoundation.org

E-mail: dhall@mbcb.org

MISSISSIPPI BAPTIST CONVENTION BOARD



THE MISSISSIPPI BAPTIST FOUNDATION

Mississippi Baptist Foundation, P. O. Box 530, Jackson, MS 39205 or call 800-748-1652 or 601-292-3210