

Jerry Mast '92 '93 M.Acct., “The World Needs More Manchester Graduates”



As the vice president and tax director of First Source Bank in South Bend, Ind., Jerry Mast '92 '93 M.Acct. knows the importance of a good plan. He also believes that giving back should be a priority and created a plan to make that possible throughout his lifetime and beyond.

Jerry came to Manchester University not only for its outstanding

accounting program but also for the values it espouses. At Manchester, he got an excellent education, and his desire to make the world a better place was nurtured. His understanding of philanthropy grew as he worked as a phonathon caller to raise money for The Manchester Fund. He started giving to Manchester as soon as he graduated with his Master of Accountancy Degree in 1993. He hasn't missed a year since. He also gives generously of his time to his local community of Galien, Mich. as a Trustee of Galien Township and in places like the local animal shelter.

Jerry has supported MU projects like the construction of the Academic Center and the establishment of the Art Gilbert College of Business. He has also made a plan to support Manchester even after he is gone. Jerry named Manchester University as a beneficiary of one of his retirement plans – leaving a legacy at a place that

taught him a great deal.

Jerry shared that “growing up in the Church of Brethren, the value of service to others was impressed on me at an early age. During my journey at Manchester, the faculty and staff continued to embody and promote this value. Out in the “real world,” there is a noticeable void of servant leadership – the world needs more Manchester graduates with this value! I have included Manchester in my estate plan as I truly believe that collectively, Manchester graduates make the world a better place because of their value of service to others. I want to do my part to make sure that Manchester can carry on its value-based tradition!”

If you would like to learn more about creating your own estate plan, please contact us at 260-982-5218 or www.plannedgiving.manchester.edu.

DO YOU HAVE A PLAN FOR THE FUTURE?

It can be surprisingly easy to put off major decisions about our future. While the task of estate planning can be overwhelming, it is important to remember that lack of a plan means we have freely chosen to give up control to a system that is random and ill-equipped to make the kind of decisions we can best make ourselves. Under state law, if you are incapacitated or pass away without a plan, someone else will make important decisions that could affect you and your loved ones. For example, if you die without a will or trust, a court will determine how your assets are distributed and that may happen in a way that does not reflect your hopes and values. It can also place additional burdens on your loved ones.



PLANNING FOR THE FUTURE IS EASIER THAN YOU MAY THINK

New technology makes planning easier than ever before. Our planned giving website includes a valuable tool, an online Wills Planner that can help you organize your plans before you meet with your attorney. To get started, visit our website and click on “Plan Your Will.” If you do not already have an account, please create one so that you can begin planning your will. Once you enter the Wills Planning Center, using our secure server, you will be asked to answer a series of questions about your family, your estate, and your goals. The program will gather all of the information your attorney needs to help you create your estate plan. That information is kept secure and confidential.

Take the time to plan your life, your future, and your legacy. You will be glad you did, and every day thereafter, you can expect the peace and comfort of knowing the life you live today will matter tomorrow.

If you have questions about using the online Wills Planner, or would like assistance with your planning decisions, please contact us at 260-982-5218 or www.plannedgiving.manchester.edu. We would be happy to talk with you about your goals.



Manchester University Class of 2022

ESTATE PLANNING MADE EASY



In a nutshell, estate planning is really what you want done with what you own. The good news is that you can provide for the people and causes important to you by taking simple steps now. Creating your plan for the future can be easy and even enjoyable.

1

Itemize Your Assets

Take a piece of paper and draw a line down the middle. On the left side, write something you own. On the right side, write the name or names of the person(s) you wish to receive that item or asset.

2

Organize Your Estate

Make the process of organizing your estate and plans even easier by downloading our free wills guide. This fill-in-the-blank guide walks you through the process of gathering information about what you own, your family, and your goals.

3

Write Down Questions

Consider practical questions, such as, "If I give my house to my adult son and my adult daughter, what will they do with it?" If you come up with a question that you can't seem to find a solution for, make a note to ask your attorney.

4

Review Your Plans for Family

You can give some assets to family right away and others over time. Ask us how you can provide an income stream or a lump sum to a loved one and achieve your personal and inheritance goals.

5

Consider Charity

Remember to include any charities that are important to you in your plan. If you have given during your lifetime, then consider providing for these organizations through your estate. Ask us about plans like charitable remainder trusts and gift annuities that can help your family and our mission.

6

Visit Your Attorney

Bring the information you have gathered and questions to your attorney. Your attorney can draft a will or trust that will achieve your goals. You complete the plan through a simple signing process.

7

Update Your Plan

Update your estate plan as your life changes. Marriages, births, and deaths are all events that may make you want to revise your plans.

For more details, please visit www.plannedgiving.manchester.edu or call us at 260-982-5218.

SAVVY LIVING By: Jim Miller

Can You Deduct Medicare Costs on Your Income Taxes?

Can I deduct my Medicare premiums, deductibles and copayments on my income taxes? I had knee replacement surgery last year and spent quite a bit on medical care out-of-pocket and would like to know what I can write off.

The short answer is yes, you can deduct your Medicare costs, but only if you meet certain conditions established by the IRS. Here is how it works.

As a taxpayer, you are allowed to deduct many medical and dental expenses as well as your Medicare out-of-pocket costs. But you can only deduct those expenses that exceed 7.5% of your 2018 adjusted gross income (AGI), if you itemize your deductions. Next year (the 2019 tax season), the threshold will rise to 10%.

Here is an example. Suppose that your AGI in 2018 was \$50,000. Of that amount, 7.5% is \$3,750. If your total allowable medical expenses last year were \$8,000, you would be able to deduct \$4,250 (\$8,000 minus \$3,750). But, if your medical expenses were less than \$3,750, you could not claim a deduction for your medical expenses.

You also need to understand that when taking a medical expense deduction, you do not get back every dollar you claim. While a tax credit reduces your taxes dollar-for-dollar, tax deductions simply reduce your taxable income, and your savings ultimately depend on the effective rate at which you are taxed. So, for example, if you qualify for a \$4,250 deduction and your effective tax rate is 22%, you would get \$935 in savings from that particular deduction.

To claim this deduction, you will need to file an itemized Schedule A with your tax return on Form 1040. You cannot claim a deduction for medical expenses on Form 1040A or Form 1040EZ.

Allowable Medical Expenses

The list of allowable medical expenses, as defined by the IRS, is long and fairly flexible. As a Medicare beneficiary, you can deduct your monthly premiums for Part B, Part C (Medicare Advantage plans), Part D drug plans and any supplemental (Medigap) insurance you have. If you pay a premium for Part A, a deduction is available for that too. You can also deduct the cost of all your deductibles, coinsurance and copayments under Medicare.

In addition, you are also allowed to deduct the cost of medical services not covered by Medicare, including dental treatment, vision care, prescription eyeglasses, hearing aids and even long-term care. Transportation to and from medical treatment also counts as an eligible medical expense. If necessary, you may even be able to deduct home alterations and equipment, like entrance ramps, grab bars, stair lifts and other items that can help you age in place.

Some things, however, cannot be deducted. The cost of vitamins and supplements, unless recommended by a physician to treat a specific medical condition, are not deductible. You also cannot deduct Medicare late penalties added to Part B or Part D premiums. Medicare beneficiaries who fail to sign up during their initial enrollment period are typically hit with a penalty that gets added to their monthly premiums, but these additional costs will not count for tax purposes.

For more information, including a detailed rundown of allowable and unallowable medical expenses, see IRS Publication 502 "Medical and Dental Expenses" at [IRS.gov/pub/irs-pdf/p502.pdf](https://www.irs.gov/pub/irs-pdf/p502.pdf) or call the IRS at 800-829-3676 and ask them to mail you a copy.

Savvy Living is written by Jim Miller, a regular contributor to the NBC Today Show and author of "The Savvy Senior." The articles are offered as a helpful and informative service to our friends and may not always reflect Manchester University's official position on some topics.



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