HUDSON HEADWATERS HEALTH NETWORK

Beneficiary Designations

The Easiest Way to Leave Your Legacy at Hudson Headwaters

Although many people think of a Will as the easiest way to transfer assets after their lifetime, it doesn't cover everything. In fact, retirement plans, IRAs, life insurance and commercial annuities are not controlled by the terms of your Will, but instead use separate beneficiary forms to determine who receives them. These beneficiary designations pass outside of your Will, making them effective and easy ways to leave a legacy.

Retirement Plans and IRAs

If you want to make a difference at Hudson Headwaters after your lifetime, consider a tax-wise gift from your retirement plan or IRA. A retirement plan or IRA is typically the largest source of assets that generate taxable income when paid to a beneficiary. Therefore, if you are considering a gift to us after your lifetime, it is usually better to leave taxable assets to nonprofits like us and give nontaxable assets (such as stocks and real estate) to your loved ones.

Life Insurance Policies

Maybe you once needed life insurance for your loved ones, but now your family's requirements have changed. Why not use the insurance policy to help advance our mission? Not only will you make a substantial gift at a relatively low cost, but it is revocable at any time should you need to change your plans.

Commercial Annuities

Commercial annuities are tax-heavy assets to own, similar to retirement plans and IRAs. They carry an income tax burden when paid to your named beneficiary. The income tax is due on the growth of the annuity—in other words, what its value is worth when you die over what you paid for it. The tax burden makes these assets another popular choice to leave to a tax-exempt organization like ours.

John would like to leave Hudson Headwaters his $100,000 IRA after his death. If he names us as the beneficiary for 100 percent of his IRA, we would receive the entire $100,000 to help fulfill our mission. By comparison, if John leaves the IRA to his sister, she will owe a sizable amount of the IRA to income taxes.

What Do I Do Next?

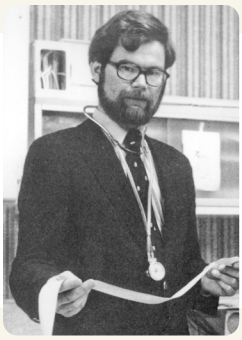
To make your legacy gift, simply contact your IRA administrator, bank, insurance company or financial institution (or visit their website) and complete a beneficiary designation form naming Hudson Headwaters Health Network as beneficiary and the percentage you'd like us to receive (1–100). Then mail it back to the plan administrator and keep a copy for your records. Beneficiary forms are filled out on your terms and can be changed at any time to meet your needs.

Become a John Rugge Legacy Society Member

Once you have named Hudson Headwaters as a beneficiary, let us know! Please complete and return the Legacy Society membership form so that we may appropriately acknowledge and celebrate your legacy commitment as soon as possible.

Updating your beneficiary designations is free and easy to do!

In addition to paper forms, many insurance companies, IRA administrators and financial institutions allow you to update beneficiary information online via your secure user account. Contact your institution for more information.



Named in honor of Dr. Rugge's visionary commitment to the health of our communities, the John Rugge Legacy Society is comprised of members whose foresight and generosity help to ensure high-quality health care throughout our region.

For more information on the John Rugge Legacy Society,

please visit **HHHN.org/legacysociety** or contact
Jessica Rubin, Vice President, Chief Impact Officer
518-703-9554 **jrubin@hhhn.org**

When considering any charitable gift planning, please consult with your tax or financial advisor to understand the tax and financial implications. Hudson Headwaters does not provide legal or tax advice. This document is intended for informational purposes only and should not be used as legal or tax advice.