Members of the Class of 1934 . . .

... found many ways to help build today's Virginia Tech

... made gifts that fit personal goals

... established enduring legacies that continue to invent the future.

Footprints on the Drillfield by Judith Davis

The photograph above is from the 1934 BUGLE. Its caption calls Virginia Tech's then-new roadway around the Drillfield a “connecting link between the present growing V.P.I. and the future greater V.P.I.”

Had that Drillfield offered a crystal ball, the Class of '34 would have been amazed to glimpse today's Virginia Tech — and doubly amazed to learn how members of their class would help it grow.

There was no crystal ball on that 1934 Drillfield. There was no Burruss Hall. Nor was there an Eggleston, Owens, Squires, Smyth, Hutcheson, or Hillcrest. But there were students, mostly young men and most of them cadets, who walked, slogged, slid, sprinted, and marched across the Drillfield in all weather.

The Class of '34 attended VPI between the World Wars — during the Great Depression and the Dust Bowl. Techmen with nicknames like Tom, Red, Smitty, Low, and Jeff were, according to their yearbook, thinking about football, food, ROTC training, snowball fights, graduation, and the young ladies some would one day marry. They were not thinking about inventing the future Virginia Tech.

Footprints Continued on page 4
The American Taxpayer Relief Act, signed by the President in January, offers taxpayers a degree of certainty, at least for this year, and in some cases expands options for charitable giving and financial planning. Some highlights:

This year, you can plan ahead for your tax-advantaged charitable IRA rollover.
Welcome news for donors age 70½ and older, the charitable IRA rollover, or qualified charitable distribution (QCD), was renewed for both 2012 (retroactively) and for 2013.

This is a great way to support Virginia Tech with a lifetime gift from your IRA – a gift that can be excluded from taxable income and satisfy required minimum distributions.

Qualifying gifts must be transferred directly from a traditional or Roth IRA to the Virginia Tech Foundation Inc., and are subject to certain restrictions.

Gifts of stock and real estate have become even more attractive.
Donations of securities and other appreciated assets, such as real estate, typically bypass capital gains and ordinary income taxes. This reduces the effective cost of a gift when compared to a gift of cash. For many individuals, those taxes are higher this year, and so are the potential tax savings you can realize from bypassing those taxes.

Pease Amendment affects few donors.
The Pease Amendment was introduced in 1991 to partially limit deductions for higher-income taxpayers. The amendment expired in 2010 and was reinstated in January 2013. It reduces total itemized deductions by 3 percent of the amount that adjusted gross income (AGI) exceeds $300,000 (married, joint return)/$250,000 (single). The Pease limit does not apply to deductions for medical expenses and certain losses.

PLANNING TIP:
You can make your qualifying 2013 IRA rollover gift(s) at any time before December 31, 2013. You may prefer to make a single gift during 2013, or you may choose to make a gift each quarter or make any other combination of gifts up to a total of $100,000 per taxpayer per year. Learn more at http://bit.ly/irarollover or contact the Office of Gift Planning.

PLANNING TIP:
If your capital gains tax rate and/or income tax rate has gone up for 2013, you have more reasons than ever to consider making a gift of appreciated assets rather than cash. You may find you can enjoy more significant tax savings than have been available in recent years.

PLANNING TIP:
For most donors, this amendment has no practical impact on charitable gift deductions. If you are a very high-income donor with few or no deductions other than charitable giving, consult your financial advisor to determine whether the Pease limit affects you.
**Charitable Tax Deductions**

New laws for certain losses. The Pease limit does not apply to deductions for medical expenses and (AGI) exceeds $300,000 (married, joint return)/$250,000 (single). The deduction by 3 percent of the amount that adjusted gross income 2010 and was reinstated in January 2013. It reduces total itemized deductions for higher-income taxpayers. The amendment expired in 2013. The Pease Amendment was introduced in 1991 to partially limit Pease Amendment affects few donors.

**Gifts that pay you income may now offer additional advantages.**

Charitable gift annuities and charitable remainder trusts are designed to pay tax-favored lifetime income to the donors and create a future gift for Virginia Tech. Funding these gifts with appreciated securities or real estate typically provides additional advantages for the donor. And when the donor’s tax rates rise, the tax advantages become even more significant.

**Estate gift exemption preserved.**

The combined $5 million exemption for individual gift, estate, and generation-skipping tax is permanently preserved and will be indexed annually for inflation. In 2013, this amount will be $5.25 million.

**PLANNING TIP:**

Compare the income you are now receiving from an asset to the income you could expect if you donated that asset to create a charitable gift annuity or charitable trust. Your gift may also bypass capital gains taxes; the payments you receive may be more favorably taxed; and your charitable gift provides an immediate income tax deduction. Weigh the advantages of funding your gift with cash, with appreciated assets, or with a combination of the two. Gift Planning can provide free gift illustrations to help.

**SNEAK PREVIEW**

**Hold on to your hard hats!** Here is a peek inside the Center for the Arts at Virginia Tech, under construction at the corner of Main Street and the Alumni Mall. The performance hall’s elegant ceiling “fins,” shown here, are part of the building’s acoustical system.

In addition to the 1,260-seat performance hall, the 150,000 square-foot center, slated to open later this year, will house two visual arts galleries, a performance lab, and the Institute for Creativity, Arts, and Technology.


Office of Gift Planning
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PLANNING TIP:

Estate gifts do not affect your lifetime finances. They are most often made through a bequest in your will or trust, or by a beneficiary designation donating assets such as the remaining balance in a retirement account.

Consult your attorney or other financial advisor to ensure your gift fits your overall estate plan.

Selecting a wise asset for your donation can help you maximize your family’s inheritance and, at the same time, increase the impact of your legacy at Virginia Tech. Sample bequest language your attorney can use to include the university in your will can be found at http://bit.ly/vtgpbq.
So who were Tom, Red, Smitty, Low, and Jeff? And how did they step across their 1934 Drillfield to leave their footprints on the 21st century Virginia Tech — and beyond?

Tom was a scholarship recipient. Maj. Gen. W. Thomas Rice (CE ’34) became a top railroad industry executive and served as rector of the Virginia Tech Board of Visitors. His charitable gifts to the university, often matched by his employer, endowed engineering and corps scholarships. The VTCC Rice Center for Leader Development in the Pamplin College of Business bears his name, as does the Rice Professorship in Engineering, endowed in his honor by CSX Corporation.

Red played varsity football. Edward Ralph English (BAD ’34) became a Virginia businessman (English Construction) and civic leader whose volunteer and financial support to the university included both athletics and academics. His gifts of real estate and securities endowed the Edward R. (Red) English, Sr. Scholarship in the College of Business, and helped build English Field, where today’s Hokies play baseball.

Smitty earned two VPI degrees. Charles W. (Charlie) Smith (EE ’34, MS ’35) became an electrical engineer for Delmarva Power and Light Co. Like many of his classmates, his civilian career was interrupted by military service during World War II. Smith made annual gifts to Virginia Tech for decades, until shortly before his death in 2003. A widower with no children, he left his estate to Virginia Tech, funding unrestricted endowments for engineering, the corps, and the alumni association.

Low was on the yearbook staff. Col. Horace E. (Ed) Alphin (DASC ’34) became a county agricultural agent, career Army officer, hospital administrator, and real estate developer. His charitable giving includes a gift of securities to fund the Horace E. and Elizabeth F. Alphin Professorship in Agriculture, and a gift of real estate that helped fund the Alphin-Stuart Livestock Teaching Arena, named for Col. and Mrs. Alphin and for Patricia B. Stuart.

Jeff liked to dance at the Cotillion Club. William H. Jeffress (EE ’34) became an engineering superintendent for E.I. DuPont DeNemours. He made a gift of securities establishing a charitable gift annuity that paid him and his wife lifetime income. That gift will one day support the VTCCA Jeffress Family Scholarship honoring Jeffress family alumni Richard ’74, James ’65, William ’34, and E. Stanley 1893.

Enduring legacies from ’34 to forever. When Tom, Red, Smitty, Low, and Jeff first stepped onto their long-ago Drillfield, they couldn’t have known VPI would become so important in their lives — or that they would become so important to Virginia Tech.

Yet they went on to fund scholarships, professorships, programs, and facilities with gifts that fit their lives and their goals. They and other 1934 alumni — and thousands more who have crossed the Drillfield before and since — have shaped their 21st century university as surely as its Blacksburg campus was shaped by the 1922 master plan that set aside an “expance to be left open forever” — a grassy oval on which some footprints never fade.

...the Class of ’34 would have been amazed to glimpse today’s Virginia Tech

MEET BRIAN MCGUIRE

Brian McGuire joined Virginia Tech’s gift planning team as associate director in April 2012. Originally from New Orleans, La., Brian knows Hokies well from his work as general manager for the Educational Media Company at Virginia Tech, publisher of the student newspaper, the Collegiate Times.

Brian was most recently with Valic Financial Advisors where, for 13 years, he helped New River Valley residents create retirement plans designed to help them accomplish lifetime goals.

“I am really having a great time helping Hokies of the past help today’s best and brightest faculty and students truly invent the future,” says Brian. “Education is my passion, and I hope my experience in financial planning can help the Hokie Nation in identifying creative and mutually beneficial ways to make the educational experience at Virginia Tech the best it can be.”

Tax-wise Gift Solutions

Goal: Increase your income and your tax deduction. A charitable gift annuity or charitable trust can provide you with a 2013 charitable income tax deduction as well as tax-advantaged lifetime income payments you can begin receiving now or later.

Goal: Lower cost of giving. Donating highly appreciated assets can avoid capital gains taxes, significantly reducing the effective cost of your gift.

Free Booklet: For more tax-wise ways to make a gift, get your free copy of “Create a Gift that Fits Your Goals.” Use the enclosed card or contact us directly.

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