

ALLEY THEATRE NINA VANCE LEGACY SOCIETY



Applause



Alley Theatre's Financial, Estate and Gift Planning Newsletter

Fall 2013

WHAT'S INSIDE

- Probate – It's Not All Bad
- IRA Gifts Make Return Appearance
- Giving Your Executor a Helping Hand
- Inaugural Appreciation Event Acknowledges Our Valued Members
- Extended Engagement

Theatre Is a Family Affair for the Langfords

When Beth and Britt Langford moved to Houston ten years ago, they quickly began exploring the local theatre scene.

"We started by buying single tickets to a few theatres to stick a toe in the water," Britt recalled. "Our interest in the Alley grew because of the quality and variety of the product that's truly local and most readily apparent in the resident company. But the Alley is so much more: building its own sets, designing and sewing costumes, sourcing all props and tweaking every sound. It's not a touring show in a box that arrives in an 18-wheeler. Each production is crafted by a family of professionals who live here, and they're great."

"Theatre is very much a family thing for us, too," Britt continued. "My parents encouraged my involvement in the theatre as a child because it bolstered my self-confidence yet could be very humbling. When Beth and I started a family, we wanted our kids to be involved because we expected the same benefits for them in whatever careers they chose."

The Langfords got their wish: Their son Brooks, who lives and works in Austin, performed as a youngster in a variety of shows, including the lead in a Dallas production of *Amahl and the Night Visitors*. Daughter Brynn recently graduated with a BFA in dramatic per-



Photo by Priscilla Dickson

Beth and Britt Langford Nina Vance Legacy Society Members

formance at the University of Cincinnati's College-Conservatory of Music and is now an actor based in Los Angeles.

As the family's involvement with the Alley deepened, Britt became a member of the Board and began to consider ways to participate in providing for the theatre's future. The couple recently updated their estate plans, and their wills now include bequests to the Alley, which qualifies them as members of the Nina Vance Legacy Society.

"When reviewing your estate plan, you take stock of what's important to you," Britt reflected. "Those things change over time, and in our case the Alley has become an increasingly important part of our involvement with the community. We felt that the Alley needed to be on the very short list of entities that blessed

(continued on next page)

Theatre Is a Family Affair for the Langfords *(continued from page 1)*

us in our lifetimes and that we wanted to honor.” He added, “We wanted to make sure that we had a hand in sustaining the Alley and the art of live theatre produced at the local level. Our decision to include the Alley was even easier because it is so highly regarded nationally.”

Do the Langfords have favorite performances?

“Lots of them,” says Britt. “In every respect, I thought *The 39 Steps* production was extraordinary. Just a small subset of our marvelous resident company, and they were brilliant. One of Beth’s favorites was Rajiv Joseph’s *Gruesome Playground Injuries* for its innovative set design within the intimacy of the venue downstairs. So typical of an Alley season’s variety: a comedy on the Hubbard and brand new intensity on the Neuhaus.”

Britt remains grateful for his time in and around the theatre.

“The theatre experience gave me the confidence to stand comfortably before an audience. It also taught the value of preparation and rehearsal. Basic life skills developed during those formative years in theatre serve

“We wanted to make sure that we had a hand in sustaining the Alley and the art form of live theatre at the local level.”

me now whether I’m leading a team of bank colleagues or conferring one-on-one with a client to solve a problem or pursue an opportunity.”

Britt concluded, “Our passion for the theatre runs very deep. It’s very personal because of the impact it’s had on us as individuals and as a family.”

You Can’t Take It with You . . . But You Can Darn Well Make Sure Who Gets It

If you would like more information on making a bequest to an organization such as the Alley Theatre, please return the enclosed card in the envelope provided to request a **FREE** publication on *Planning Your Bequests*. The publication can be e-mailed or mailed to you. There is, of course, no obligation. We also hope to see you at *You Can’t Take It with You*, which opens the Alley Theatre’s 67th season on September 25.

Probate – It’s Not All Bad

Mention “probate” and many people react negatively. Actually, probate is simply the court supervision of the distribution of an estate. It can be a lengthy, costly process, but there are advantages to probate for many estates.

- The period during which unknown creditors may bring claims against an estate is generally shorter (e.g., six months) for the probate estate than for a trust.

- A judge oversees all aspects of the probate estate distribution and settles disputes regarding provisions of the will.

- The court requires precise inventory and accounting by the executor (personal representative at death) for the protection of the beneficiaries.

- Because the probate estate is a separate taxpaying entity that can use a fiscal year, it may be possible to

defer taxes by timing distributions.

- An estate may hold shares in S corporation stock, but only special types of trusts may own such shares.

- The probate court can award living expenses to the surviving spouse and children during estate administration.

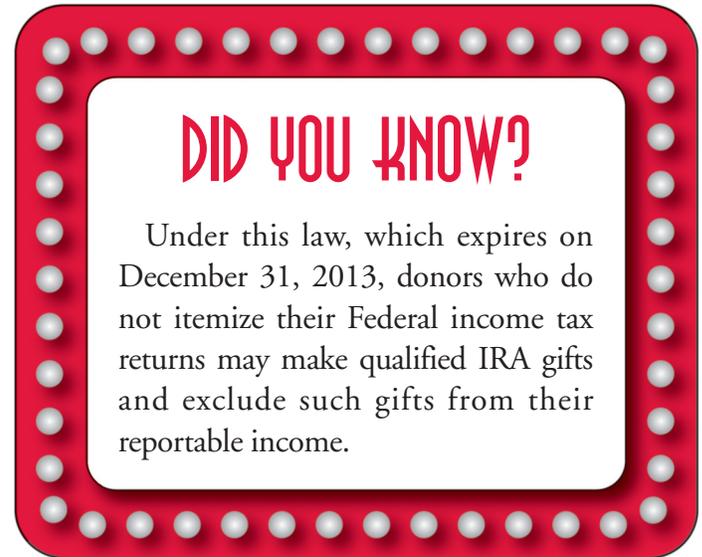
- Most states expedite the distribution of assets from small estates, thereby reducing probate fees. Is avoiding probate good for your estate? That depends upon the complexity of your estate (do you own out-of-state real estate or a closely held business?) and your family situation (is anyone likely to contest your will?). Ask your attorney about the probate process in your area and whether there are advantages to having your estate subject to probate or if a revocable living trust would be more appropriate.

IRA Gifts Make Return Appearance

The American Taxpayer Relief Act of 2012 reinstated qualified charitable distributions from IRAs for those age 70½ and older for 2013. If you qualify, you may direct your IRA custodian to send a check from your account to the Alley Theatre and owe no income tax on the distribution. Normally, withdrawals from IRAs are taxed at ordinary income rates, up to 39.6%.

Although no income tax charitable deduction is allowed, your gift can satisfy your required minimum distribution, saving taxes that you would otherwise have to pay. For example, suppose your required minimum distribution for 2013 is \$5,000. When you withdraw that amount, you'll pay tax of \$1,400 in a 28% tax bracket (more in higher brackets). But if you direct the IRA custodian to send the \$5,000 directly to the Alley Theatre, you'll avoid the \$1,400 tax, while making a satisfying gift.

Donors may give up to \$100,000 from IRAs in 2013, but the distributions cannot be used to establish charitable remainder trusts or fund charitable gift



annuities. Distributions may be made only to public charities such as the Alley Theatre, not donor advised funds or private foundations. Gifts must come from traditional or Roth IRAs, not from 401(k)s or other retirement plans.

If you're planning an IRA gift, please contact us first before you take a withdrawal. That allows us to work with your IRA custodian and give you the proper receipt for your gift.

Giving Your Executor a Helping Hand

Asking someone to be your executor is asking a big favor. Whether it's a relative or close friend, you owe him or her the courtesy of making the job as simple as possible.

Attach a list to your will detailing:

- names, addresses and contact information of your advisers;
- locations of bank accounts, along with account numbers;
- life insurance policies, including the name of the insurer, location of the policies and value;
- where old income and gift tax returns can be found;
- user names, passwords and PIN numbers for your "digital estate;"
- the location of real estate deeds, birth certificates, marriage licenses, trust documents and other important papers.

Inaugural Appreciation Event Acknowledges Our Valued Members

On March 27, members of the Nina Vance Legacy Society were treated to a reception in their honor at the Alley Theatre. The special guest for the evening was James Black, who celebrated his 25th anniversary season as an Alley Resident Artist. During the evening, Mr. Black shared insightful and amusing stories about his experiences at the Alley and Managing Director Dean Gladden provided members a preview of the renovation plans for the Alley Theatre building. In attendance were Gina Fish, planned giving chair, and her husband Dr. Richard Fish. The evening was delightfully memorable and plans are to offer this event annually. To learn more about the Nina Vance Legacy Society and the benefits of membership, please contact our office.



Photo by Peter Yenne

Richard and Gina Fish and Elizabeth and James Black at the Nina Vance Legacy Society Appreciation Event

Extended Engagement

Hopefully you have heard the exciting news that the Alley is renovating its theatre. This will be the first major renovation of the Hubbard Stage and building since the Alley opened in 1968 – 45 years ago. The building refurbishment is part of the Alley's multi-pronged Extended Engagement Capital Campaign to ensure that the Alley remains in the forefront of Houston's cultural life for the next 50 years. One way to support the campaign is to include the Alley Theatre in your estate plan to benefit the Endowment. For more information on the scope of the campaign, specific details and to share your thoughts, please visit the Alley's website at alleytheatre.org.

If you would like to make a bequest for the future of the Alley Theatre, our legal name is Alley Theatre and our Tax ID number is 74-1143076.

Masthead photos: Jeffrey Bean in *Cyrano de Bergerac* (photo by Michal Daniel). Jennifer Laporte and John Felch in *To Kill a Mockingbird* (photo by T. Charles Erickson).



ALLEY THEATRE

615 Texas Avenue
Houston, Texas 77002
713.315.3378
marykayw@alleytheatre.org
www.alleytheatre.org



Mary Kay Wittrock
Director of Planned Giving