

Generational Shifts: Fulfilling Clients' Charitable Wishes



Chances are, you've already begun to notice that a major [transfer of wealth](#) is happening as your Baby Boomer clients establish financial and estate plans to pass their wealth to their Gen X and Millennial children.

The dollars involved are eye-popping. Most attorneys, financial advisors, and CPAs have seen the Cerulli [study's](#) estimate that \$124 trillion in wealth in the U.S. will transfer through 2048. The research estimates that most of this wealth—\$105 trillion—will pass directly to children, grandchildren, and other heirs. And, notably, the study estimates that \$18 trillion will flow to philanthropy.

As the transfer of wealth gains momentum, advisors have a major opportunity to position themselves as trusted experts who can help clients not only structure efficient lifetime and estate gifts to heirs, but also help ensure that clients' charitable wishes are achieved. It's crucial for advisors to know that the Chester County Community Foundation is here to help incorporate philanthropy into clients' financial and estate plans.

Here's why this is so important:

- There's a knowledge gap. Clients may not be aware of the options and benefits of charitable planning. Even many of your affluent clients may still be writing checks to their favorite charities, not realizing that gifts of appreciated stock, for example, can be more tax-efficient, and that tools at the Community Foundation, such as donor-advised funds, can be incredibly useful.
- Next-level strategies are key. Your ultra-wealthy clients will likely need to implement sophisticated strategies for transferring assets smoothly and tax-efficiently. Clients want to maximize the results of their charitable gifts while also protecting their families' interests. Leaning on the Community Foundation to help structure gifts of complex assets, such as closely-held business interests, can make a huge difference in reducing a client's tax bill and achieving meaningful community impact.
- Legacy planning starts now. It's tempting to put off addressing a client's wishes to support favorite charities in an estate plan. "We'll look at that in a few years," is a common but less-than-ideal approach. That's because charitable bequests are best addressed as part of a comprehensive estate and financial plan. Naming a fund at the Community Foundation as the beneficiary of a client's IRA, for example, is an extremely tax-efficient way to accomplish charitable wishes.

The Chester County Community Foundation team is here to augment your expertise in charitable giving strategies. Not only will you be better able to meet clients' needs, but you'll also strengthen relationships and improve client retention. Please reach out to learn more about how the Chester County Community Foundation can help your clients make a lasting impact with their wealth while achieving their financial goals.

For more information, contact the Chester County Community Foundation:

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