



# THE WILSON SOCIETY

of Hospital for  
Special Surgery  
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Wilson Society  
Member List

Hospital for Special Surgery  
is an affiliate of New York-  
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System and Weill Cornell  
Medical College.

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HOSPITAL  
FOR  
**SPECIAL  
SURGERY**



## Giving More Than Thanks

Listening to Dr. Irene Meister-Armington discuss her professional life, one thing is clear: she did not get where she is today by sitting still. Over the course of her career, Dr. Meister has been a senior executive at multiple corporations and organizations, a college professor, a staff member of Congress, and an adviser to President Ronald Reagan, to name just a few of her remarkable positions. Now lecturing and limiting her consulting work to one multinational client, Dr. Meister is also a member of the Council on Foreign Relations, granting her entry to meetings with heads of state and other distinguished international and U.S. figures.

With so many responsibilities, mobility is very important to Dr. Meister. But when she fell on the sidewalk in 2003 and landed in the emergency room with a shattered shoulder, she was told that she might lose her arm. A friend who is a physician recommended that she see Scott Rodeo, MD, at Hospital for Special Surgery. "He said, 'With an injury that serious, I don't want you to go anywhere else,'" she recalls.

Dr. Rodeo performed a successful surgery, for which Dr. Meister says she is "eternally grateful." She credits Dr. Rodeo not only with saving her arm, but with taking a genuine interest in her health and well-being. "He is not only a good surgeon, he is compassionate and caring," she said. "While I was recovering from the surgery, he would come as often as three times a day to personally monitor my progress."

Over the years, Dr. Meister has returned to Special Surgery several times and is currently recovering from a major spinal surgery performed by Dr. Frank Cammisa. She speaks highly of all of her physicians, including Dr. Cammisa, Dr. Ronald MacKenzie, and Dr. Stephen Paget. In addition to the excellent physicians, Dr. Meister cites many other factors that set HSS apart from other hospitals. "I am consistently impressed with the nursing staff, as well as with the Hospital's emphasis on research," she said.



*Dr. Irene Meister-Armington*

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# Giving to Augment Income

When most people consider making a substantial charitable gift, their main concern lies not so much in parting with their cash or other assets but in *giving up the income* those assets generate. Many of our friends have discovered that there are ways they can make substantial gifts yet receive spendable cash.

## The Popular Gift Annuity: Simple and Safe

The most popular way of doing this is also the simplest: the *charitable gift annuity*. With a simple contractual agreement, you can make a gift to Hospital



*Philanthropic support enables Special Surgery physicians and staff to continue providing the highest quality patient care.*

for Special Surgery and receive guaranteed lifetime payments for yourself or designated beneficiaries.

In return for a gift of a specified amount, we will pay you, or whomever you designate, a stream of income for life. The payments are a fixed amount and generally depend on the number (up to two) and age(s) of the beneficiary(ies). For instance, payments would be higher for an annuity payable for life to one person, aged 70, than to a couple, both 70, because of the longer life expectancy of the couple.

In addition to these payments, you get an income-tax deduction for a portion of the gift.

**Example:** *John and Mary A, both 70, make a gift of \$10,000 in return for an annuity of \$590 per year as long as they live. The gift generates an income-tax deduction of \$3,754. Better still, a portion of the annual payment is tax-free. Of the \$590 annual payments John and Mary receive, \$304 will be tax-free for the remainder of their life expectancies.*

In addition to these benefits, the gift annuity offers the opportunity to reduce capital-gain tax when long-term, appreciated property is used to fund it. And this reduced amount is payable over the donor's life expectancy.

**Example:** *Fred B, 72, owns stock worth \$10,000 that he bought two years ago for \$5,000. If he sells the stock, he will realize a \$5,000 gain and owe \$750 in capital-gain tax at the 15% rate.*

*Instead, Fred uses the stock to fund a gift annuity that will pay him \$670 per year for life. By doing so, Fred has to recognize only \$2,704 of gain and can spread it over his life expectancy of 14.5 years, at a rate of \$187 per year. Plus he gets a charitable deduction of \$4,592.*

Because of their simplicity, gift annuities typically do not require a great deal of time or expense, making them suitable for gifts of all sizes.



Visit [www.hss.edu/plannedgiving](http://www.hss.edu/plannedgiving) to learn more!



*Charitable gift annuities allow you to receive income for life, while supporting the future of musculoskeletal research.*

### Retirement Planning

The gift annuity is a wonderful means of generating a current stream of income. But not everyone wants—or needs—additional income right now.

In fact, many people are looking for ways to build up future income to tap into at retirement.

A special kind of annuity called the *deferred-payment gift annuity* lets you do just that. It allows you to make a current gift, delay receipt of the payments until your anticipated date of retirement, and still qualify for a charitable income-tax deduction *now*.

Deferred gift annuities have become increasingly attractive to individuals who are already making the maximum allowable contributions to their qualified retirement plans and are searching for tax-deductible ways to supplement retirement income. Consequently, many people are beginning to discover the retirement-planning potential of deferred gift annuities.

Deferring receipt of the annuity payments produces two important benefits: it substantially increases both the amount of the charitable deduction and the amount of the annuity payment.

### Providing for a Dependent Relative with a Gift Annuity

If you add the cost of supporting a dependent to your everyday financial demands, the need to preserve more income becomes even greater.

**Example:** Consider the case of Fred Martin, who helps support his 80-year-old mother with annual gifts of \$6,000. Fred must earn \$8,955 in his 33% tax bracket to net the \$6,000 he gives to his mother. He would like to make a significant gift to HSS but feels that demands on his income prevent him from doing so at this time.

After consulting with his advisors and a member of our staff, Fred decides to create a gift annuity that will pay his mother \$6,400 a year. He funds it with \$80,000. Fred gets an immediate charitable income-tax deduction of \$41,543. **Note:** The value of Fred's mother's income interest of \$38,457 (\$80,000 less \$41,543) is a reportable gift for federal gift-tax purposes. However, his gift-tax annual exclusion and available exemption amount will offset any potential gift-tax liability. In her 25% tax bracket, Fred's mother nets \$5,822.

### For More Information

We would be happy to provide more information about how you can incorporate a gift annuity in your own planning. Please request a complimentary copy of ***The Charitable Gift Annuity: Guaranteed Payments for Life*** by returning the enclosed card; or if you prefer, please call our office at (212) 606-1196. ■

## Join Us

**N**amed for Dr. Philip D. Wilson, Jr., and his father, Dr. Philip D. Wilson, Sr., both of whom served as Surgeon-in-Chief, The Wilson Society was established to recognize and thank donors during their lifetimes for providing for Hospital for Special Surgery in their estate plans. Please contact Molly Murray, Director of Major Gifts, at (212) 606-1196 if you would like more information about joining The Society. ■

*You should consult your attorney about the applicability to your own situation of the legal principles contained herein.*

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Shortly after meeting Dr. Rodeo, Dr. Meister began making small contributions to express her appreciation for the positive experience she had at Special Surgery. When she learned about The Wilson Society, she was drawn to the idea of being able to make a larger impact on the Hospital's future.

After assessing her financial goals, Dr. Meister decided to establish charitable gift annuities with Hospital for Special Surgery. "I need to preserve

my capital, but I can take pieces of that capital and put it into annuities—and not do it just once, but repeatedly," she said. Over the past two years, Dr. Meister has established four charitable gift annuities, and hopes to create another next year. She says that annuities are perfect for her, because they provide her with income, while also helping Special Surgery achieve its long-term goals. ■

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