Estate Planning and Charitable Giving after TCJA

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A KEY ESTATE PLANNING GUIDE

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ChronicIllnessPlanning.org

Estate Planning and Charitable Giving after TCJA

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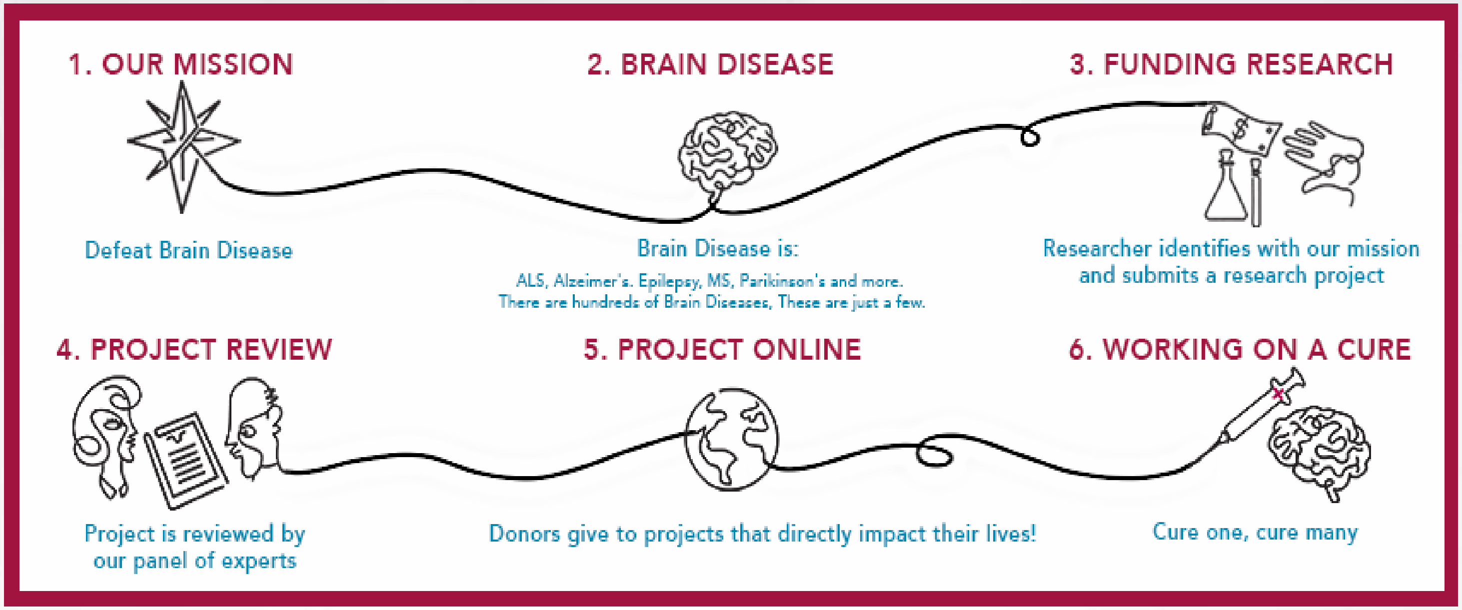

For MS Awareness month in March, we are crowdfunding for two projects to make diagnoses of relapsing MS more accurate and new lab equipment to study the role of the immune system in MS. Learn more here.

Estate Planning and Charitable Giving

Just Announced 2018 Inflation Adjusted Figures by IRS

Rev. Rul. 2018-18 New Charitable Numbers

- *Insubstantial Benefit Limitations for Contributions Associated with Chari- table Fund-Raising Campaigns*.
- *Low cost article*. For taxable years beginning in 2018, for purposes of defin- ing the term “unrelated trade or business” for certain exempt organizations under
- § 513(h)(2), “low cost articles” are articles costing $10.80 or less.
- *Other insubstantial benefits*. For taxable years beginning in 2018, under
- § 170, the $5, $25, and $50 guidelines in section 3 of Rev. Proc. 90 –12, 1990 –1
- C.B. 471 (as amplified by Rev. Proc. 92– 49, 1992–1 C.B. 987, and modified by Rev. Proc. 92–102, 1992–2 C.B. 579), for the value of insubstantial benefits that may be received by a donor in return for a contribution, without causing the contri- bution to fail to be fully deductible, are
- $10.80, $54.00, and $108, respectively.
- *Tax Responsibilities of Expatria- tion*. For taxable years beginning in 2018, the amount that would be includible in the gross income of a covered expatriate by reason of § 877A(a)(1) is reduced (but not below zero) by $711,000.

Exemption Amount, Etc.

- *Unified Credit Against Estate Tax*. For an estate of any decedent dying in calendar year 2018, the basic exclusion amount is $11,180,000 for determining the amount of the unified credit against estate tax under § 2010.

Estate Planning and Charitable Giving

Encouraging Charitable Giving After the New Tax Law

How Tax Cut Jobs Act Hurts Charity

- Estate tax exemptions doubled to over $11M per person. Very few estates will get any tax benefit from charitable bequests.
- Standard Deduction doubled to $12,000 per person. Few individual taxpayers will get any tax benefit from charitable gifts. Most other standard deductions have been restricted or eliminated. The number of itemizers will drop from 30M to 5M.

New Tax Law A Negative to Giving

- The Tax Cuts and Jobs Act of 2017 was signed into law by President Trump on December 22, 2017. The law was numbered Public Law 115-97 (“JCTA”).
- The doubling of the standard deduction to $24,000 (married filing joint) is estimated to lower charitable giving by $13 billion+ per year.
- The doubling of the estate tax exemption to more than $11 million doubling the exemption is estimated to lower charitable giving by $4 billion per year.
- Creative tax planning, and emphasizing non-tax benefits, may help offset some of this loss.

Estate Planning and Charitable Giving

Update Your Estate Plan for the New Law

New Update Your Estate Plan for the Law

- With the estate tax exemption at $11M+ most people assume estate planning is irrelevant. It is not. Just different.
- Personal issues must still be addressed.
- If you or a loved one are living with PD – see prior webinar on estate and financial planning on www.shenkmanlaw.com and on the MJFF website. All that planning remains essential.
- Consider the new world of tax planning whatever your wealth level.

New Update Your Will/Revocable Trust for the Law

- Update your will (use a revocable trust as well) since charitable bequests may not provide a deduction. See planning ideas below.
- Update formula clauses as they may not work. Many wills were prepared using formulas like: "I bequeath the amount of the estate tax exemption to a trust for my children." If the exemption was $1M when you signed the will, and your estate worth $3M, your children would have inherited 1/3rd and your spouse/partner 2/3rds. Now the children take all. Review and revise.

New Update Your Power of Attorney for the Law

- Most powers of attorney permitted gifts up to the annual exclusion amount of $15,000 (2018). Historically this had been done to save estate tax. Is this relevant to you with an exemption over $11M? Might it be safer to sign an new power of attorney without this provision since it is a common tool to commit financial abuse? Will you be better protected without this “standard” provision?
- Consider permitting your agent to make charitable gifts “in accordance with my historic pattern of giving.”
- Consider permitting your agent to prepay bequests under your will to secure a possible income tax deduction if there will no longer be an estate tax deduction.

New Update Your Life Insurance and Insurance Trust for the Law

- Do you need the life insurance coverage any longer?
- If not consider options:
  - Convert to a paid up policy.
  - Repurpose the insurance plan to provide cash flow to you instead of a benefit to heirs.
  - Sell the policy in the secondary market.
  - Donate the policy to charity.
- If your estate is large and you will undertake sophisticated planning to use the new high $11M exemption before it is changed, repurpose your life insurance to backstop that plan.

Estate Planning and Charitable Giving

Technical Changes Affecting Charitable Giving

Technical Changes Affecting Charitable Giving

- The income tax laws have limited donations to public charities and private operating foundations to 50% of adjusted gross income (“AGI”). This was increased from 50% to 60% but only for cash contributions.
- Donations to colleges that provide a right to purchase tickets to athletic events will no longer be deductible. IRC Sec. 170(l)(2).
- An exception to the requirement to obtain contemporaneous written acknowledgement from a charity has been repealed so that an acknowledgement for every donation must now be obtained in all instances. IRC Sec. 170(f)(8)(D).

Estate Planning and Charitable Giving

Bunching Deductions

Bunching Deductions to Get Over High Standard Deduction

- Most taxpayers will not accumulate enough itemized deductions to exceed the new standard deduction. But if they plan deductions to be incurred over other (or every third) year they may periodically exceed the standard deduction and thereby secure a tax benefit for donations.
- The key is pushing some deductions off to a future year, then in that year accelerating deductions from a future year.
- Bunching of donations into targeted years using donor advised funds (DAFs), to hold the larger periodic charitable gifts until they are dispersed. This can also be done by making donations to a specific charity to be held by that charity in a fund for the donor until disbursed for specific projects or pursuant to a donor agreement.

Bunching Deductions to Get Over High Standard Deduction

- **Example**: Taxpayer, as a result of the loss of SALT and other deductions, cannot itemize each year but instead take the standard deduction. She has traditionally given about $10,000 each year in charitable contributions. In 2019, she defers charitable contributions, making none. Instead she makes pledges to charities that she wishes to benefit.
- Target Year: In 2020, the taxpayer donates $30,000 to a donor advised fund. She uses some of those funds to pay off 2019 pledges. She also makes some charitable gifts in 2020. She incurs elective medical expenses as well.
- In 2020, she also made significant home medical improvements resulting in a large deduction for that year.
- In 2021, she uses some of the funds remaining in the DAF for charitable gifts in 2021 when she will not be making donations.

Estate Planning and Charitable Giving

Qualified IRA Distributions to Charity

Qualified IRA Distributions to Charity

- When it is available, donations from IRAs is one of the best charitable giving tools after the new law. It completely avoids the standard deduction and gives the donor full dollar for dollar benefit.
- For federal tax purposes, qualified distributions up to $100,000 from an IRA made directly to charitable organizations are excluded from the owner's gross income if the distributions are made on or after the date the IRA owner reaches age 70 ½.
- This requirement can be confusing for some taxpayers in that it is not available for the year in which the taxpayer/plan holder turns 70.5 but only after attaining that age.
- These are referred to as Qualified Charitable Distributions ("QDCs").
- Taxpayers can direct the IRA from which they are taking required minimum distributions ("RMDs") to pay a portion or all of that RMD, not to exceed $100,000/year, to a qualified charity.

Qualified IRA Distributions to Charity

- The donation must be made directly from the IRA custodian to the charity. The funds cannot be distributed to the plan holder and then donated.
- Thus, every dollar of QDC will provide a tax benefit by reducing taxable income.
- If you are planning to convert your traditional IRA to a Roth, leave some amount in the traditional IRA for charitable gifts.
- You may be able to rollover funds from a qualified plan into your IRA and use it for donations.

Estate Planning and Charitable Giving

Donate Appreciated Property

Donating Appreciated Property

- The traditional approach of donating appreciated stock remains beneficial.
- Even if the taxpayer/donor does not qualify for an income tax charitable contribution deduction the gain inherent in the appreciated stock will permanent avoid income taxation thereby saving capital gains.
- In the past that same donation may have also generated an income tax deduction based on the fair value of the stock. While the latter benefit may no longer be realized the former will.
- Thus, donations of appreciated stock will continue to be preferred over mere cash donations for many.

Estate Planning and Charitable Giving

Estate Bequests Paid from Income

Estate Bequests Paid from Income

- A bequest could be drafted to be paid out of the income earned by an estate so that an income tax deduction would be realized by the estate to the extent of such income.
- This can provide a tax benefit even though the estate may be too small to realize an estate tax charitable contribution deduction because of the new high exemption amounts.
- The difficulty of this type of charitable gift could be estimating the income and the uncertainty of what the ultimate charitable gift might be.

Estate Planning and Charitable Giving

Life Insurance

Life Insurance

- Life insurance policies that clients no longer wish to maintain might be repurposed to charitable use.
- **Example**: Client owns a $2 million life insurance policy he intended to use to cover estate tax costs, or to provide an inheritance to his heirs. With the increase in the value of his estate he is no longer concerned about the inheritance his heirs will receive being reduced by an estate tax (but he should act to secure that high exemption now).
- Perhaps an alternative strategy is he sees no merit to retaining the life insurance for its original purposes is to name a favorite charity as a beneficiary and use the policy to accomplish important charitable goals.
- If the policy is in an irrevocable life insurance trust (ILIT) it may be feasible, depending on the terms of the trust, to distribute the policy out to the beneficiaries, have them then donate it.

Estate Planning and Charitable Giving

Advancement (Pay Bequests Now)

Advancement

- Taxpayers should update/amend durable powers of attorney and revocable trust gift provisions to permit charitable gifts if they had not previously done so (many if not most standard forms do not).
- Further, consideration should be given to authorizing the agent under the power of attorney or the trustee under the revocable trust to prepay charitable bequests as an advancement of testamentary bequests since for all but the wealthiest clients bequests will no longer provide a federal estate tax benefit.
- This is a result of the doubling of the federal estate tax exemption to about $11 million per person, and about $22 million per couple (assuming porting of the first to die spouse's exemption).
- The taxpayer/agent can coordinate the payment of a bequest with the bunching of deductions (see above) to obtain the maximum income tax benefit.

Estate Planning and Charitable Giving

Non-Grantor Trusts May Salvage Charitable Giving Deductions

Non-Grantor Trusts May Salvage Charitable Giving Deductions

- A different type of trust planning then has been used historically may be the answer to salvaging charitable contribution deductions.
- Create a non-grantor trust. These are so-called “complex” trusts that pay income tax. This is in contrast to the nearly ubiquitous use of grantor trusts that have been the norm in planning for many years. With grantor trusts the trust income is taxed to the settlor, not the trust.
- How can non-grantor trusts facilitate charitable planning?
- For taxpayers who are charitably inclined, and unlikely to receive a contribution deduction because of the high standard non-grantor trusts might afford another option. This trust can be created to benefit a class of persons including descendants and charities. In order to avoid grantor trust status, neither the settlor nor the settlor’s spouse can benefit from the trust.
- The donor/taxpayer would create a relative low-cost trust in his or her home state.

Non-Grantor Trusts May Salvage Charitable Giving Deductions

- The taxpayer could gift a portion of his or her (non-IRA, non-retirement plan) securities portfolio to the trust.
- Distributions to heirs or charitable contributions can be made in the discretion of an independent trustee (e.g. a family member like a sibling or aunt).
- Since the trust is characterized as a non-grantor trust, there is no standard deduction and income is offset by the charitable contribution deduction so long as the tax law requirements that distributions be made out of the trust's gross income, etc., are met.
- This assures that the contributions will provide an income tax benefit and leaves the standard deduction to offset non-trust income on the taxpayer's personal return.
- If the amounts available to allocate to charity exceed what is desired to gift to charity in a given year, those amounts could instead be directed to the heirs listed as beneficiaries of the trust.

Non-Grantor Trusts May Salvage Charitable Giving Deductions

- **Example**: The client is charitably inclined but lives in a low tax state and is unlikely to ever exceed the new standard deduction amount. The client gifts $250,000 of marketable securities to a non-charitable non-grantor trust. The trust benefits named charities the client donates to regularly, and children and their descendants.
- There likely will be little concern about allocating GST exemption to a trust that is an inefficient use of GST exemption since the transfer tax exemptions greatly exceeded the client's wealth.
- The $250,000 generates $12,500 of taxable income a year.
- The trustee pays $10,000 to charity and $2,500 to heirs. The trust deducts the $10,000 charitable contribution and all remaining income passes out to the children.
- If the trust paid all $12,500 to charity and then made discretionary distributions of corpus to the children, the children would have no gross income to report from the trust.

Estate Planning and Charitable Giving

Charitable Lead Trusts (“CLTs”) and Charitable Remainder Trusts (“CRTs”)

Intro to CLT and CRT Planning

- This next discussion will explain and evaluate how charitable split interest trusts work, and then describe the factors that impact the tax and financial treatment of charitable lead trusts and charitable remainder trusts.
- Once one understands how a charitable split interest trust works, and how these factors impact on charitable split interest trusts, we can then determine how to structure the charitable split interest trust to best serve the income tax, transfer tax, financial and personal family concerns for each individual.

Intro to CLT and CRT Planning

- Numerical illustrations will be used to explain how charitable split interest trusts work and the tax benefits each structure can provide.
- The benefit of using examples is that it becomes far easier to communicate how charitable split interest trusts are treated under the tax laws and the tax savings they can provide.

Intro to CLT and CRT Planning

- When charitable giving is involved, an example of a simple introductory statement can be something like this:
- With a properly structured charitable giving technique, what the individual can end up giving to charity need not cost the individual anything. Instead, what can be given to charity is the money the individual would have otherwise paid in Federal and state income taxes and estate taxes.

Example

- Senior is able to borrow $1,000,000 from a lender at an interest rate equal to 2.3%. The loan provides for the payment of $23,000 annual interest each year, with all $1,000,000 due in 10 years.
- Senior invests the $1,000,000 of loan proceeds in high-grade corporate bonds with a maturity of 10 years. The bonds pay 3.3% annually or $33,000 each year.
- Each year Senior reports the $33,000 of interest income and deducts the $23,000 as an investment interest expense. In addition, Senior contributes the excess $10,000 to the public charity of her choice, and deducts the $10,000 charitable contribution.
- How much did it cost Senior to contribute the $10,000 to a charity of her choice each year?
- What if the lender in the above was the IRS?

CLAT Example

- Senior, age, 90 and a resident of California, a state with a 13.3% income tax on individuals, with little or no charitable intentions, owns a $1,000,000 portfolio of corporate bonds, paying $38,500 of annual interest (a 3.85 % rate of return). The current gift tax rate is 40 percent. The December 2016 Section 7520 rate is 1.8 percent.* You can present Senior with the following illustrations to help her better understand how a CLAT works and encourage her to give to charity.
- The combined Federal income tax on interest income is 43.4 % when the 3.8% NIIT surcharge is added to the regular 39.6 % income tax rate. And, in a state like California, where the top state income tax rate is 13.3 %, the effective rate is then 56.7%.
- In New York the top state income tax rate is 8.82 % and the New York City rate is another 4.3 %.
- *Charitable lead trusts can use the Section 7520 rate for the month the trust is established, and also use that rate for the two preceding months. Section 7520(a)(2). The July 2017 rate is 2.2% , the June 2017 rate is 2.4% and the May 2017 rate is 2.4%.

CLAT Example to Transfer Assets Without Gift Tax

- Senior retains the $1,000,000 investment portfolio, earning 3.85% annually, pays the Federal and state income taxes on the $38,500 of ordinary income each year and allows all earnings, after the payment of the income taxes, to accumulate. At the end of 28 years, the investment fund has grown to $1,711,722. Senior gifts the entire $1,711,722 of accumulated funds directly to her children. After the payment of $684,689 in gift taxes, computed at the 40% gift tax rate, the children effectively net $1,027,033. It is important to show the result with no tax planning so that you can demonstrate the financial benefit of the tax proposal.

Alternative CLAT Example 2

- Each year Senior gifts the entire $38,500 of annual investment income to charity creating a charitable income tax itemized deduction that offsets the interest income and gifts the $1,000,000 investment portfolio to her children at the end of 28 years. The children effectively net $600,000 after the payment of gift taxes at the 40% rate, and the charity receives a total of $1,078,000 over the 28-year period.

Alternative CLAT Example 3

- Senior contributes the $1,000,000 investment portfolio to a lifetime CLAT which in turn is required to distribute a fixed annuity of $38,500 to charity over a 28-year period (the expected annual income). Since the value of the remainder interest to Senior's children is zero (hence the term a "zeroed-out CLAT"), there is no taxable gift at the time the trust was created. At the end of 28 years, the CLAT terminates and distributes all $1,000,000 to the children without incurring any gift or estate taxes. Therefore, the children net $1,000,000, and the charity receives the same $1,078,000 over the 28-year period.
- Each year the trust reports the $38,500 as taxable income and each year the trust is permitted to deduct the entire $38,500 as a charitable contribution as the trust is not exposed to the phase-outs of itemized deductions that apply to individuals.

Alternative CLAT Example 4

- Senior uses a family limited partnership (“FLP”), contributing the $1,000,000 investment portfolio to a family limited partnership. After taking a conservative 25% valuation discount, Senior contributes the discounted limited partnership interest, valued at $750,000, to a CLAT, which is required to pay $32,563 annually to charity over the 28-year CLAT term. Over the 28-year period, the charity receives $911,751. And, upon termination of the CLAT, it distributes $1,109,761 to the children, free of all gift taxes.
- Using the December 2016 1.8% Section 7520 discount rate, the present value of $32,563 annually for 28 years is exactly $750,000.

In scenario 3 it only cost $27,033 to give $1,078,000 to charity!!!!

Scenario	Net to children	Charitable distributions	Total to children and to charity
1. No tax plan. No charitable donations.	$1,027,033	None	$1,027,033
2. No tax plan. Contribute $38,500 annually to charity	$600,000	$1,078,000	$1,678,000
3. CLAT contributes $38,500 annually to charity	$1,000,000	$1,078,000	$2,078,000
4. Use of discounted family limited partnership, CLAT contributes $32,563 annually to charity	$1,109,761 **Senior is actually better off than no tax plan!!!**	$911,751	$2,021,512

Alternative CLAT Example 4

- #CLATs can be structured so that its ability to compound growth lasts well beyond the donor's death. The ability to lock in a very low interest rate in the current environment therefore provides a very unique opportunity for older donors looking to maximize transfers to family members (and benefit charity), especially where the family members will not need access to the funds for several years after the CLAT is created and after the donor dies.
- .

CLAT Bets

- A CLAT can also be created for the donor's life. However, because the actuarial value of the charitable lead interest in a CLAT on the donor's life is based on actuarial life expectancy (the 2000CM mortality tables) a donor who actually survives that assumption will likely pass more to charity (and less to family beneficiaries) than a donor who had chosen a term interest for the same length of time. Because the 2000CM life expectancy tables underestimate actual life expectancies (particularly for wealthy donors who have access to excellent health care) a CLAT on the donor's life is not a wise bet. On the other hand, a donor who has a reduced life expectancy due to poor general health but who is not terminally ill might choose to create a CLAT for life, with the hope that the donor will not survive the actuarial life expectancy, passing more funds to the ultimate beneficiaries than the actuarial assumptions will assume upon creation.

Ability to compound tax-free growth beyond death, and avoid loss of principal to estate tax

- The key advantage of the CLAT is the CLAT's ability to continue compounding tax-free growth beyond the donor's death. While a donor can structure a sale to a grantor trust or other intrafamily loan that will continue beyond the donor's life, there is no further gift or estate tax benefit to the compounding of growth above the hurdle rate beyond the donor's death. In addition, the payment of estate tax on the value of the retained note in the donor's estate removes a significant portion of the total property that is available to generate returns for the ultimate beneficiaries.

CLAT Returns

- The fixed term, lifetime CLAT continues to compound appreciation above the hurdle rate for the remainder beneficiaries throughout its term. If the rates of return are great enough and the donor is expected to die shortly after creation of the CLAT, the benefit of that additional estate-tax-free growth within the CLAT during its remaining term can even exceed the effective "cost" of the CLAT's required payments to charity, leaving the ultimate beneficiaries nearly as well off – or sometimes even better off – than had the donor engaged in a sale or loan transaction with the same assets or had the donor not engaged in any planning at all, at the same time providing a significant benefit to charity.

use a charitable gift annuity to postpone tax on the gain from a sale of appreciated asset

- What is a charitable gift annuity?
- If Senior, age 70, gives a charity $1,000,000 of cash, the charity promises to pay Senior $51,000 a year for the rest of Senior's life. In addition, Senior is entitled to an immediate charitable income tax deduction of $383,920 that can be used to offset Senior's ordinary income. If Senior is a resident of a state with a 5.0% income tax rate and is in the highest Federal and state income tax bracket, Senior's effective combined income tax rate is 48.4%. Thus, the charitable income tax deduction will save Senior $185,817 on income taxes.
- Consider the financial security a charitable gift annuity provides.

Sale of Business

- Senor has to sell his interest in Senior's closely-held business for $10M. Since Senior's cost basis is $2M, Senor will have an immediate $8M capital gain to report and will have to immediately pay the Federal and state income taxes on that $8M capital gain.
- How can Senior report that $8M capital gain at a rate of $317,976 a year over the next 16 years?
- Senior sells the operating business to a charity for an annual $510,000 annuity for life. Senior receives an immediately $3,839,200 charitable income tax deduction. Each year for the next 16 years Senior treats the $511,000 annual payment as:
- $ 79,313 tax-free cost basis (16 x $79,313 = $2M).
- $317,976 capital gain (16 x $317,976 = $8M).
- $112,710 annuity income (ordinary income, i.e. interest on the deferred payment).
- After 16 years, all subsequent payments are reported as $510,000 of annuity income.

Beware that some charities offer larger annuity amounts

- For an individual age 70 most charities pay an annuity equal to 5.1% of the value of the asset transferred to the charity in exchange for an annuity. A few charities actually offer a larger percentage. For example the JNF uses 5.8% for a person age 70. So, shop around.

Estate Planning and Charitable Giving

Charitable Lead Trusts ("CLTs")

Charitable Lead Trusts ("CLTs")

- Add charitable lead trusts into your dispositive scheme to address the possible reduction of the estate tax exemption.
- **<u>Example</u>**: A client is single with a $8 million estate and two children as heirs. She provides a bequest to dynastic trusts, ½ for each child, up to the current high exemption, and the excess to a charitable lead trust.
- If she dies before the new higher exemption sunsets (or a future administration changes the estate tax) the estate will pass transfer tax free into GST exempt dynastic trusts for each child.
- If the estate tax exemption is reduced to the $5 million pre-Act level as scheduled in 2026 (or by a different administration before that date) the $5 million inflation adjusted exemption amount will pass transfer tax free into the GST exempt dynastic trusts for each child, and the remainder of the estate could pass into a CLT that reduces or eliminates any estate tax, and then to the children.

Estate Planning and Charitable Giving

Electing Small Business Trusts (ESBTs) New Donation Rules

Electing Small Business Trusts (ESBTs) New Donation Rules

- An S corporation reports to each of its shareholders each's pro rata shares of certain separately stated items of income, loss, deduction, and credit. For this purpose, charitable contributions of an S corporation are separately stated.
- The deductibility of a charitable contribution passing through from an S corporation depends on the shareholder. An S corporation may only make deductible contributions if the governing instruments of the S corporation permits the Board of Directors to make charitable gifts.
- Under prior law, the deduction for charitable contributions applicable to trusts, rather than the deduction applicable to individuals, had applied to ESBTs. Generally, a trust is allowed a charitable contribution deduction without limitation for amounts of gross income which are paid for a charitable purpose.

Electing Small Business Trusts (ESBTs) New Donation Rules

- No carryover of excess contributions is allowed.
- The Act changes the charitable contribution deduction of an ESBT and provides that the rules under section 170 applicable to individuals should control the deductibility of charitable contributions attributable to the ESBT.
- Thus, the percentage of contribution base limitations and carryforward provisions applicable to individuals apply to charitable contributions deemed made by the portion of an ESBT holding S corporation stock.
- Further, the ESBT should be able to deduct the fair market value of long-term capital gain property gifted in-kind to charity, subject to applicable percentage limitations.

Conclusion and Additional Information

Additional information

- Contact Jane Ransom at the American Brain Foundation (ABF) via email at JRansom@americanbrainfoundation.org or by phone at (612) 928-6321
- Contact Martin M. Shenkman via email at shenkman@shenkmanlaw.com
- Contact Jerome Hesch via email at jhesch62644@gmail.com

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- For more information about earning CLE credit for this program or other Martin Shenkman programs please contact Simcha Dornbush at NACLE. 212-776-4943 Ext. 110 or email sdornbush@nacle.com