



# *Non incautus futuri*

## *Ray Smith '55 Honors his Family's Past While Providing for the University's Future*

**A**lthough he was son of the late Raymond D. Smith '22 and grandson of the late Dr. Henry Louis Smith—who was president of Washington and Lee University from 1912-1929—Ray Smith '55 was never quite fully at home at W&L. “Frankly I have mixed emotions about my time at Washington and Lee,” Smith admitted. “I spent a good deal of my time waging war against the administration and the system.” Smith was not overly fond of the fraternity system, but pledged Beta Theta Pi, because “back then, there was no other place to eat aside from the fraternities.” “However, I didn’t drink during my college years, and that allowed me to do a lot of other things,” Smith explained. “I worked on almost every publication on campus, most importantly the Ring-tum Phi, where I discovered the power of the written word and the attraction of journalism.”

“I was fortunate to arrive at W&L shortly after Dr. Leyburn (who came to Washington and Lee from Yale in 1947 as Dean of the University),” Smith recalled. “Dr. Leyburn announced that he was going to turn Washington and Lee into a great university, and laid out a pattern to achieve that,” (which was published in the Ring-tum Phi). Smith continued, “In the fifties, W&L had many inspiring and brilliant professors—Drs. James G. Leyburn, Lewis W. Adams, Marshall W. Fishwick, Edward D. Myers, William A. Jenks and others. I couldn’t take all their courses,

but I stuffed in as many as I could. Washington and Lee gave me a great education

*“We decided to give preference to those students who were the first in their families to attend college, feeling that this would help continue to diversify the campus. I was lucky to live in a time when things were simpler. It was no problem getting into a college, and no problem getting a job afterward. Now today you have to be pretty smart just to get accepted, and if you don’t have a college education, you have no chance of decent employment. We’d like to help some kid who couldn’t otherwise benefit from that. That’s the bottom line.”*

—Ray Smith '55

and I wouldn’t trade that for anything... I was fortunate to be a scholarship recipient.”

Twenty years ago, during a capital campaign, Smith decided to create a scholarship in part to repay this debt as well as to honor his grandfather, Dr. Henry Lewis Smith, who had been president of Washington and Lee. The Dr. Henry Louis Smith Scholarship, which is supported by friends and descendants of the

late University president, is awarded annually as financial assistance to a student who otherwise would be unable to attend the University and who demonstrates strong character and leadership potential. Kendré Simone Barnes '13, a recent ODK inductee, is one such recipient. “With Kendré, W&L seems to have bet on a winner,” said Smith.

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## Ray Smith '55 Honors Past

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"We decided to give preference to those students who were the first in their families to attend college, feeling that this would help continue to diversify the campus," Smith explained. "I was lucky to live in a time when things were simpler. It was no problem getting into a college, and no problem getting a job afterward. Now today you have to be pretty smart just to get accepted, and if you don't have a college education, you have no chance of decent employment. We'd like to help some kid who couldn't otherwise benefit from that. That's the bottom line."

Scholarships are a top priority of the "Honor Our Past, Build Our Future" Capital Campaign. "Student aid endowments are a vital element in the University's success over many decades. Outright gifts, planned gifts, and a combination of the two have all been used by generous donors like the Smiths to aid students," offered Hank Humphreys, Director of Gift Planning.

"Ray is a caring and devoted alumnus of Washington and Lee University who benefited from scholarship assistance as an undergraduate student," observed Michael Walsh, Special Assistant to the Vice President for University Advancement. "Ray and his wife Anne want to ensure that future generations of students have similar access to a W&L education, regardless of financial need. We will benefit greatly if the future recipients of the scholarship possess the intelligence, the commitment to community, the personal integrity and the sense of humor of Ray Smith."

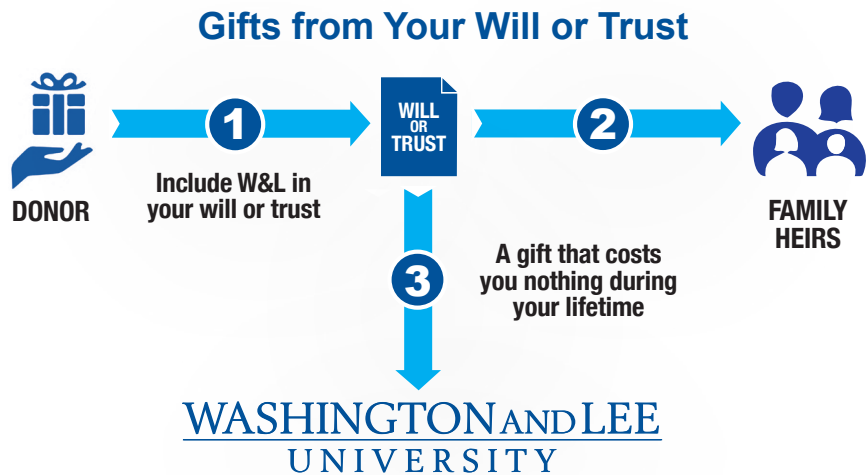
Smith and his wife, Anne, have also put the college in their will. "Honestly," admitted Smith, "this was the result of a new lawyer, who pointed out that if we took that money out of an IRA it would be more tax efficient. So we followed his advice."

To join the Smiths in making a planned gift in support of Washington and Lee, contact Hank Humphreys or Louise Wasserott at (504) 458-8421, or by email at [ahumphreys@wlu.edu](mailto:ahumphreys@wlu.edu) or [lwasserott@wlu.edu](mailto:lwasserott@wlu.edu).

## Bequests to W&L

"Have you included Washington and Lee in your will?"  
Legendary Dean of Students Frank Gilliam often asked alumni this question, so vital to the continuance of W&L.

If you have remembered the University in your will or trust in this special and thoughtful way, let us know so we can thank you and so we can ensure your wishes will be followed. If you are considering naming W&L in your estate plans, we are happy to assist you in taking this beneficial step.



### HOW IT WORKS

- Include a bequest to Washington and Lee University in your will or trust.
- Make your bequest unrestricted or direct it to a specific purpose.
- Indicate a specific amount, or a percentage of the balance remaining in your estate or trust.

### BENEFITS

- Your assets remain in your control during your lifetime.
- You can modify your gift to address changing circumstances.
- You can direct your gift to a particular purpose (be sure to check with us to make sure your gift can be used as intended or to establish an endowment agreement).
- A federal estate tax deduction can be claimed for your charitable bequests.
- Your gift will be counted in the Honor Our Past, Build Our Future: Campaign for Washington and Lee, if you are age 72 or older.
- You will become a member of Washington and Lee's Doremus Society, founded to honor those who have included Washington and Lee in their estate plans.

Visit the W&L gift planning website at [go.wlu.edu/giftplanning](http://go.wlu.edu/giftplanning) for resources like sample bequest language, a sample codicil, and information like "Eight Essential Questions About Your Will" and the "Will Planning Wizard." Hank Humphreys and Louise Wasserott are available to you assist you by calling 540-458-8421 or via email at [ahumphreys@wlu.edu](mailto:ahumphreys@wlu.edu) or [lwasserott@wlu.edu](mailto:lwasserott@wlu.edu).

Information and the chart for this article supplied by [VirtualGiving.com](http://VirtualGiving.com)



# The American Taxpayer Relief Act of 2012

On January 1, 2013, Congress passed the bi-partisan, 157-page American Taxpayer Relief Act of 2012. This new law makes permanent several expiring tax provisions passed in 2001 and 2003 and re-authorized an extension of several components, including the charitable IRA Rollover. The Affordable Care Act of 2010 also imposed new taxes to help offset the cost of legislation. Its significant provisions are:

- ▶ **The top tax bracket** was increased from 35% to 39.6% on income over \$400,000 for singles and \$450,000 for married filing jointly.
- ▶ **Capital gains** rate will increase from 15% to 20% for individuals in the top tax bracket, as noted above. The **Alternative Minimum Tax (AMT)** was retroactively increased in 2012 and has a permanent index for inflation.
- ▶ **Healthcare surtax** of 3.8% net investment income for taxpayers with income over \$200,000 for singles or \$250,000 married filing jointly.
- ▶ The **Charitable IRA Rollover** is back for 2013. The Gift Planning Office previously mailed individuals information on the special provisions for 2012.
- ▶ **Gift, Estate and Generation Skipping Tax** increased from 35% to 40% after \$5,000,000 exemption which will be adjusted for inflation.
- ▶ **Phase out of the personal exemption** and up to 80% of itemized deductions for incomes over \$250,000 singles and \$300,000 married filing jointly.

Most individuals give to W&L because they believe in the mission and are grateful for the educational experience they received. If you are in one of the following groups, however, you may find that the Act offers you

new incentives to give:

1. **High Income Earners:** Those exceeding the \$200,000/\$250,000 and/or the \$400,000/\$450,000 income threshold levels will see taxes increase in 2013. The deduction available for charitable gifts may help to offset some of these additional taxes. However, this same group likely will be subject to the new income phase-outs on itemized deductions, so the value of their charitable deduction could be slightly reduced. Each individual will need to check with his/her tax preparer.
2. **Those Formerly Subject to the AMT:** The AMT stripped away the benefits of many income tax deductions and exemptions. If you are no longer subject to the AMT, charitable gifts may prove to be an effective way to lower your tax bill.
3. **Investors:** Charitable gifts of highly appreciated assets continue to make sense for everyone, as you benefit from both an income tax deduction and avoidance of capital gains tax. If you are above the \$200,000/\$250,000 and \$400,000/\$450,000 thresholds, these

gifts are even more effective at lowering the tax bite.

4. **Those with overfunded IRAs:** The extension of the IRA Charitable Rollover will allow individuals who are required to take distributions from their IRA accounts to once again directly transfer some of those assets to charity. In so doing, they avoid the IRA distribution being added to their adjusted gross income for the year, which can trigger many of the new taxes for higher income earners.

You and your tax preparer should note the changes and assess the impact on your charitable giving. Of course, you give because you believe in Washington and Lee University and our mission and we hope that you will continue to do so—regardless of tax law changes—so that we may continue educating students in our tradition of honesty and integrity and service to the broader community.

More information can be found on our website at [go.wlu.edu/giftplanning](http://go.wlu.edu/giftplanning).

*Information for this article was supplied by VirtualGiving.com. It is not intended as legal or tax advice. Individuals should retain a professional attorney or financial advisor.*

**By an act of Congress  
the IRA Charitable  
Rollover is back.**

**If you are 70½ (or older)  
and are considering  
a gift to W&L, an IRA  
Charitable Rollover may  
be your opportunity.**

**You can transfer up to  
\$100,000 from an IRA to  
W&L before Dec. 31, 2013,  
and qualify for special tax  
treatment.**

**For more information contact:**

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*is a periodic financial and charitable planning newsletter published by the Office of Gift Planning at Washington and Lee University. Non incautus futuri, not unmindful of the future, is the University's motto. The information in this newsletter should not be considered legal, accounting or other professional advice. We at Washington and Lee recommend that you consult with your attorney, accountant and/or other professional advisor(s) about the applicability of the information in this publication to your personal situation.*

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# Washington Hall Reopens

*As part of the six-year, 50-million-dollar Colonnade Restoration Project—the central priority of Honor Our Past, Build Our Future: The Campaign for Washington and Lee—Washington Hall has had its first makeover in almost 75 years. Kjellstrom and Lee Construction spent a year and a half carefully restoring the building according to Glave & Holmes Architecture's design. The Colonnade and its historic centerpiece would not exist but for the generous support of the University's many benefactors. Here's a brief timeline of this symbolic heart of the campus:*



David C. Humphreys' conjectural drawing of the center building. Notice the second floor portico balcony, which was removed in 1834, because it had been the site of numerous student pranks.

## 1822

Trustees "resolved that disposable funds of the College be appropriated to the erection of a center building."

## 1824

The first cornerstone is laid in the spring. W&L benefactor John "Jockey" Robinson, who bequeathed his entire estate to the University upon his death in 1826, presented a 40-gallon barrel of the "finest rye whiskey ever seen in Rockbridge" to celebrate the dedication and enough was "consumed to make College Hill look like a battle-field." The center building is completed in the fall.

## 1841-1842

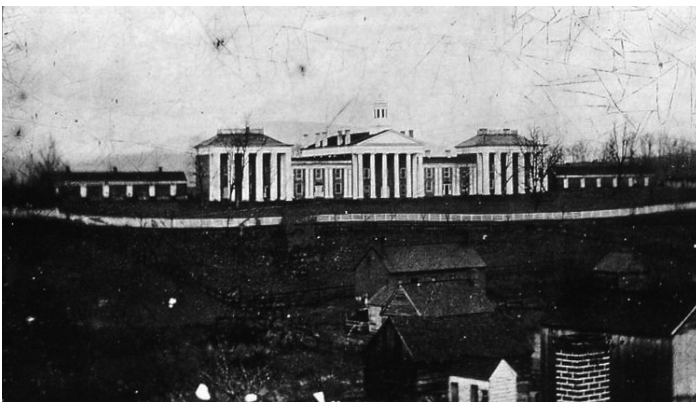
The roof of Center Hall is steepened and a cupola, as well as side wings connecting it to adjoining buildings, are added.

## 1844

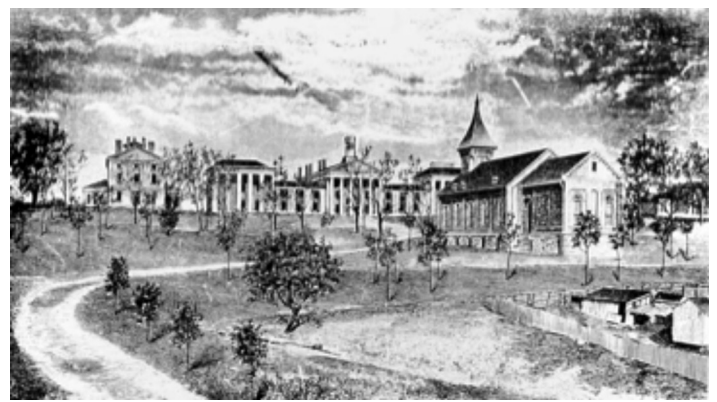
"Old George," carved by cabinet maker Captain Matthew Kahle, is placed on top of the building.

## 1935-1936

Trustees decide to remodel the Washington College group of buildings, using the gift of Judge John Barton Payne, who died in 1935, making the University one of three heirs to his residuary estate. Center Hall is renamed Washington Hall.



*The Colonnade before the Civil War.  
Note the agricultural fencing enclosing College Hill,  
to keep wandering livestock off the grounds.*



*A rendering of the campus after Lee Chapel has been built and  
W&L President Robert E. Lee has overseen the planting of numerous  
trees to beautify the grounds. The earlier fencing enclosing  
the campus has been removed.*

*"Like the entire Colonnade, the renovation and restoration of Washington Hall captures the essence of the current strategic plan and the campaign," said President Ken Ruscio. "We are preserving and strengthening the best of the past that has made Washington and Lee so special, while ensuring we educate outstanding students of character for lives of consequence in the 21st century."*

To join historic benefactors Robinson and Payne with a planned gift to support a permanent endowment to preserve the Colonnade please contact Hank Humphreys or Louise Wasserott at (504) 458-8421, or by email at [ahumphreys@wlu.edu](mailto:ahumphreys@wlu.edu) or [lwasserott@wlu.edu](mailto:lwasserott@wlu.edu).