

# Making a Difference

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## Bicentennial Summit: A Grand Celebration of HLS's History and Future

The opening event of Harvard Law School's Bicentennial Summit on October 26-27, 2017, was one for the history books. It began on Thursday afternoon with a bagpipe-led procession from Harvard Law School to Sanders Theater, where hundreds of alumni, students, faculty and staff gathered to hear from six Supreme Court justices (five current and one retired—technically enough to swing a case), and the largest such Harvard gathering on record. The last comparable event on campus was in 1955, when five justices were present to celebrate the anniversary of the birth of Chief Justice John Marshall. But this time all six of the honored guests were HLS alumni: Neil Gorsuch '91, Elena Kagan '86,

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Langdell Hall was illuminated in red for Harvard Law School's Bicentennial Summit, "HLS in the World," on October 26-27.

PHOTO: TONY RINALDO



## Succeeding Martha Minow, John Manning '85, Harvard Law School's 13th Dean

John Manning '85, the Morgan and Helen Chu Dean and Professor of Law, an eminent public-law scholar with expertise in statutory interpretation and structural constitutional law, became the School's thirteenth dean on July 1, 2017.

"John Manning is known among colleagues and students for his intellect and humility, his wisdom and integrity, his energy and openness," said Harvard President Drew Faust. "He has an unusual capacity for creating conversations and connections across lines of difference, and a deep appreciation for a wide range of perspectives and methods."

PHOTO: STEPHANIE MITCHELL

Harvard Law School Dean John F. Manning '85

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PHOTO: MARTHA STEWART

Six Supreme Court Justices and Harvard Law School alumni at the Bicentennial Summit this past fall. Pictured left to right: David H. Souter '66, Elena Kagan '86, Anthony M. Kennedy '61, Chief Justice John G. Roberts Jr. '79, Stephen G. Breyer '64, and Neil Gorsuch '91. Dean John Manning '85 stands at the far right.

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David H. Souter '66, Stephen G. Breyer '64, Anthony M. Kennedy '61, and Chief Justice John G. Roberts Jr. '79.

In a roundtable discussion with Dean John F. Manning '85, the justices shared memories, advice, and more than a few priceless anecdotes. And they confirmed that some Harvard experiences are the same across generations, like the demand for hard work.

After several illuminating stories and many laughs, alumni and students were invited to the Science Center courtyard for a celebratory reception, with plenty of reconnecting, food, and dancing.

The following day, in nearly 70 sessions led by U.S. Supreme Court Justices, U.S. Senators, CEOs, and many more global leaders in a variety of fields, alumni and students joined in-depth discussions on the critical issues of today in law, business, public policy, and legal education. As the Bicentennial Summit came to an end late Friday afternoon, the feelings of inspiration and excitement left in its wake were tangible. It was simultaneously a wonderful reminder of the power one person has to effect positive change in the world and the immense strength of a community connected.



PHOTO: MARTHA STEWART

For the HLS Bicentennial Summit, an all-star quartet of HLS alumni served as judges for reargument of the landmark 1803 case *Marbury v. Madison*, in the Ames Courtroom. Pictured left to right: Judge Patricia Millett '88 of the U.S. Court of Appeals for the District of Columbia; Chief Judge Merrick Garland '77 of the U.S. Court of Appeals for the District of Columbia Circuit; Judge Joseph Greenaway Jr. '81 of the U.S. Court of Appeals for the 3rd Circuit; and Judge Jane Kelly '91 of the U.S. Court of Appeals for the 8th Circuit.



PHOTO: TONY RINALDO

As part of the HLS in the World Bicentennial Summit, participants had the opportunity to engage with a panel of faculty who contributed to the *Harvard Law Review's* Bicentennial issue. Pictured left to right: *Harvard Law Review* President Imelme Umana, Dean John Manning, Professor Kimberlé Williams Crenshaw, and Professor Jeannie Suk Gersen.

# Campaign for the Third Century

## Bicentennial Celebration

The last year has been a remarkable one at Harvard Law School: the celebration (ongoing) of the School's Bicentennial, the retiring of Dean Martha Minow and her return to the faculty, the beginning of John Manning's deanship, and the impending conclusion on June 30, 2018 of the School's *Campaign for the Third Century*. There is still time to make a contribution to the Campaign in honor of all that has transpired over the School's history and is yet to come, in recognition of the role of the education received here in your career, and to benefit the next generations of leaders that are trained here at Harvard Law School. Below are a few of the ways you can contribute.

### *Gifts of Appreciated Securities*

By donating appreciated securities to Harvard Law School, you not only avoid paying capital gains tax but also receive a full fair market value tax deduction for your gift. Additionally, Harvard Law School avoids capital gains tax when it sells your donated securities, enabling us to utilize the entire amount of your gift for the purpose you designate. You can designate your gift to the Annual Fund, to an endowed fund for scholarship, or to an endowed professorship, assuming fund minimums can be achieved.

Gifts of appreciated securities are appealing because they reduce the cost of your gift by 15% to 20%,



Over 1000 alumni, faculty, and students gathered to celebrate Harvard Law School's historic 200th anniversary this fall and participated in over 70 sessions addressing issues in legal education, the legal profession, law, and society.

depending on your tax bracket, and may reduce it by an additional 3.8% if you would normally be subject to the net investment income tax. For example, if you have \$25,000 in securities with a basis of \$5,000 and are in the 33% Federal Income Tax Bracket, you would most likely pay \$3,000 in capital gains tax if you sold your securities, and may be required to pay an additional \$760 in investment income tax, bringing your total tax bill to \$3,760. By donating your securities to the Law School, you can avoid that \$3,760 tax and make your full \$25,000 gift.

You may transfer securities directly to Harvard Law School, and Harvard Management Company will provide you with the DTC instructions when you are ready to make a gift. Once your shares are in the University's account, they may be sold tax-free and the proceeds are then distributed to the Law School. If you would like to make such a gift, please let us know and we will make sure you receive the appropriate instructions.

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### *Gifts by Bequest, Trust, or IRA Designation*

Testamentary gifts by will, by inclusion in trusts, and by beneficiary designation in IRAs provide important support for Harvard Law School and ensure its long-term financial strength and ability to lead in the research, practice, and teaching of law. You can include the School in your will or trust for a specific amount or for a percentage of your residuary estate. If you would like to include Harvard Law School in your will or trust, please let us know and we will be happy to recommend language.

The best way to name Harvard Law School as a beneficiary of your IRA is to state a specific percentage of the IRA account you would like to direct to the Law School. Your IRA beneficiary designation form functions much like a bequest or trust designation, has the added benefit of flowing outside of your estate directly to the School, and is not subject to estate tax. If you are age 70½ or over, you can also make current outright gifts up to \$100,000 directly from your IRA to HLS. Many alumni have used this technique to satisfy their required minimum distribution while making an important gift to the School.

CAMPAIGN FOR THE THIRD CENTURY  
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## Gifts of Real Estate

Real estate may represent a significant part of an individual's and family's wealth. Whether held for investment, business purposes or personal use, it can provide a way to make a creative gift—in some cases even allowing you to utilize the property during your lifetime. If you own real estate that qualifies as long-term capital gain property, it is important to consider the unique planning opportunities available.

## Outright Gifts

Managing and caring for real estate can be cumbersome and time consuming, especially when maintenance costs and time taken for a particular property increase beyond the benefit you derive. You may be thinking of downsizing or discontinuing the use of a vacation home. By making an outright gift of property held for more than one year, you can deduct the fair market value of the property on the date of the gift, avoid capital gains tax, and make an important contribution to Harvard Law School. Such a gift also effectively removes the property from your gross estate for estate tax purposes without triggering capital gains tax on the appreciated value.

You might prefer to give only a partial interest in a particular property. As a general rule, a gift of a partial interest does not qualify for a charitable deduction, but you can donate a percentage interest in a particular piece of real estate while retaining the rest and receive a charitable deduction equal to the value of that percentage you donated. You and the charity would then jointly sell the entire interest to a particular buyer. There are also other important exceptions:

- **GIFT OF AN UNDIVIDED INTEREST**—If your interest in the property is limited to a partial interest (you own property as a tenant-in-common, for example), the contribution of your entire interest qualifies for the charitable deduction. For instance, you might give your entire 25% interest in a parcel of real estate owned by four investors.
- **GIFT WITH A RETAINED LIFE ESTATE**—A gift where you donate property but retain the right to



Terri Sewell '92, Representative, US Congress, 7th Congressional District of Alabama (in red suit), pictured with other HLS alumni and students, was a panelist with other HLS alumni serving in Congress at the HLS in the World Bicentennial Celebration.

use the property for your lifetime, a retained life estate, qualifies for a partial charitable deduction. The property need not be your principal residence—it could be a second home or a vacation home. A gift of a retained life estate can be attractive when you want to continue using the real estate during your life and still benefit from an immediate income tax charitable deduction. Later, you can either make a gift of the entire remainder interest to Harvard Law School, or terminate your life estate and receive cash equal to its value in a joint sale.

## Charitable Remainder Trusts

Real property can be used to fund a charitable remainder trust that pays you and other potential beneficiaries an income for life, a term of years (up to 20 years), or both. One of the most important characteristics of a charitable remainder trust is flexibility in the beneficiaries you can name (such as a spouse, children, or other family members) and in the income planning you can accomplish. Trusts funded with real estate typically pay a percentage, e.g. 5% or 6%, of the annual value of the post-sale trust assets.

**EXAMPLE.** Susan is a consistent donor to Harvard Law School. She intends to make a significant planned gift to the school and owns a couple of parcels of real estate. Susan decides to transfer one of the parcels to a charitable remainder trust. The trust form is called a **flip unitrust** because the trust begins as a net-income trust, paying out only income actually earned by the trust, and then converts, or “flips” into a trust paying out a percentage of its annual value after the real estate has sold. Harvard will provide the trust document, serve as trustee after the real estate has sold, and will assist her in the sale and the requirements of serving as trustee.

### Charitable Gift Annuities

Real estate can also be used to fund a charitable gift annuity. You create a gift annuity when you transfer real estate to us in exchange for a fixed income specified in the contractual agreement. The annuity may be for your life only or a joint annuity for your life and that of another person, such as a spouse.

Funding the annuity with appreciated property allows you to spread the capital gain over your life expectancy. Gift annuities are sometimes preferred to charitable

trusts since a gift annuity is much easier to establish and does not entail the ongoing administrative costs that accompany a charitable remainder trust.

A gift of real estate can be very rewarding, but must be approached with attention to detail. Your property must be appraised to determine its fair market value for tax purposes. Harvard and Harvard Law School have helped many donors successfully make gifts of real estate and you could make a significant contribution to the Law School's *Campaign for the Third Century* with the methods described. Please contact us for assistance in determining whether a gift of real property is right for you.

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“Generation after generation, Harvard Law School prepares leaders who shape the law and institutions in the private bar, the public-interest community, government, business, academia, and beyond,” said Dean Manning. “Our unique strength comes from our large, excellent, and wonderfully diverse community—people whose many backgrounds, many lived experiences, many interests, and many perspectives energize all that we do. With them, I look forward to exploring how we can best nurture important scholarship on pressing issues, how we can embrace innovative teaching and learning, how we can further the best ideals of law and justice, and how we can together deepen an environment of belonging and mutual respect in which we discuss and debate the hard and crucial questions that belong at the heart of what we do.”

**“For 200 years, Harvard Law School has shaped the way people think about the law and has led nearly every advancement on how the law is taught...”**

—Harvard Law School  
Dean John Manning

A graduate of both Harvard College and Harvard Law School, Manning has been on the HLS faculty since 2004, following a decade at Columbia Law School. A prolific and influential scholar, Manning has published

more than 40 articles in a range of leading law journals. He is co-editor of two leading casebooks, Hart & Wechsler's *Federal Courts and the Federal System* and *Legislation and Regulation*. A past chair of the HLS committee on lateral faculty appointments, he teaches courses on administrative law, federal courts, legislation and regulation, separation of powers, and statutory interpretation. His honors include the ABA Section on Administrative and Regulatory Law's Award for Scholarship in Administrative Law and Columbia Law School's Willis Reese Prize for Excellence in Teaching, which he received two years in a row. He has argued nine cases before the U.S. Supreme Court.

Early in his career, in addition to his service in the Justice Department, Manning was an associate in the D.C. office of the law firm Gibson, Dunn & Crutcher. He served as a law clerk to both Justice Antonin Scalia of the U.S. Supreme Court and Judge Robert H. Bork of the U.S. Court of Appeals for the D.C. Circuit.

Of Dean Manning, former Dean Martha Minow said, “Harvard Law School will be fortunate to have at the helm such an outstanding person whose scholarship, teaching, public service, and devotion to justice and the rule of law exemplify the School's highest aspirations.”

*An excerpt published with permission by the Harvard Gazette.*



PHOTO: MARTHA STEWART

James E. Bowers '70 and Harvard Law School Dean John F. Manning '85 presented the HLSA award to David Gergen '67, Director, Center for Public Leadership, John F. Kennedy School of Government.

## Fall 2017 Reunion Celebration

On October 26–29, 2017, almost 700 attendees gathered on campus to celebrate their Harvard Law School Reunion and to mark HLS’s historic 200th anniversary.

It was a joyous weekend filled with laughter, friendship, and a lot of dancing. The Rock ‘n’ Roll After Party on Friday evening was lively, with alumni of all classes dancing along to Central Park Zoo—whose members include Peter Gabel ’72 and Mark Stumpf ’72—late into the evening.

On Saturday, classmates had a chance to reconnect again during their Class Symposia and class photo session. Later, Dean Manning presented his vision for the Law School during the *Conversation with the Dean*, and David Gergen ’67 delivered a keynote address and received the HLSA Award during the Reunion luncheon. The afternoon sessions covered everything from Hollywood to public service, and the evening was capped by receptions and dinners with friends and classmates.

## HLS Bicentennial Celebration Culminates this April

Around the world, Harvard Law School alumni, students, and faculty are transforming communities for the better by applying their legal expertise and academic leadership to the world’s most pressing legal issues.

On Friday, April 20, the HLS community will give nod to this global impact by gathering on campus for “HLS in the Community,” a program comprised of problem-solving workshops, a showcase of the Law School’s 35 clinics, and sessions exploring the efforts of Harvard lawyers to positively affect their communities.

We invite all alumni to attend by registering at <http://200.hls.harvard.edu/community>.

For more information about the HLS programs or initiatives discussed in this newsletter, please visit the HLS website at: <http://www.law.harvard.edu>.

For more information about Planned Giving, contact Charles Gordy, Director of Planned Giving.

**Charles B. Gordy II, J.D.**  
 Director, Office of Planned Giving  
 617-496-9265  
[cgordy@law.harvard.edu](mailto:cgordy@law.harvard.edu)

Harvard Law School Alumni Center  
 1563 Massachusetts Avenue  
 Cambridge, MA 02138  
[plannedgiving@law.harvard.edu](mailto:plannedgiving@law.harvard.edu)  
 VISIT: <http://hls.harvard.edu/dept/alumni/giving-to-hls/planned-giving/>

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