

# Empowering Communities, Transforming Kentucky

What the intergenerational Transfer of Wealth means to you

**The United States entered** a golden age of growth and prosperity following the Great Depression and World War II. Americans created, invested and multiplied unprecedented private wealth. Despite the traumas of 9-11 and an extended recession, the private wealth of individual Americans is impressive, and over the next 50 years, this capital – a conservative estimate of \$72 trillion – will change hands. Most will go to heirs and taxes and to whatever other purposes the wealth-builders may wish, but a portion could be preserved in permanent endowments for the betterment of Hardin County and its communities.

This research estimates the wealth transfer likely to happen here, in Kentucky and in Hardin County. Retaining just a small portion of that wealth for philanthropic purposes close to home is an historic opportunity for Hardin County – and for wealth-builders who care deeply about the places they call home.

## Hardin County Transfer of Wealth

Today, the current net worth of Hardin County is estimated at **\$16.54 billion (\$390,982 per household)**. During the coming decade, **\$1.8 billion (\$42,428 per household)** is expected to transfer from one generation to the next. Over the next 50 years, the estimated transfer of wealth for Hardin County is **\$15.76 billion (\$372,567 per household)**.



### *The 5% Difference!*

*In the next ten years, if just five percent of this transfer could be captured in endowments with **Central Kentucky Community Foundation**, nearly \$89.74 million would be gained. Figuring a three percent grant payout, an estimated \$2.7 million could be available annually to improve the quality of life in Hardin County.*

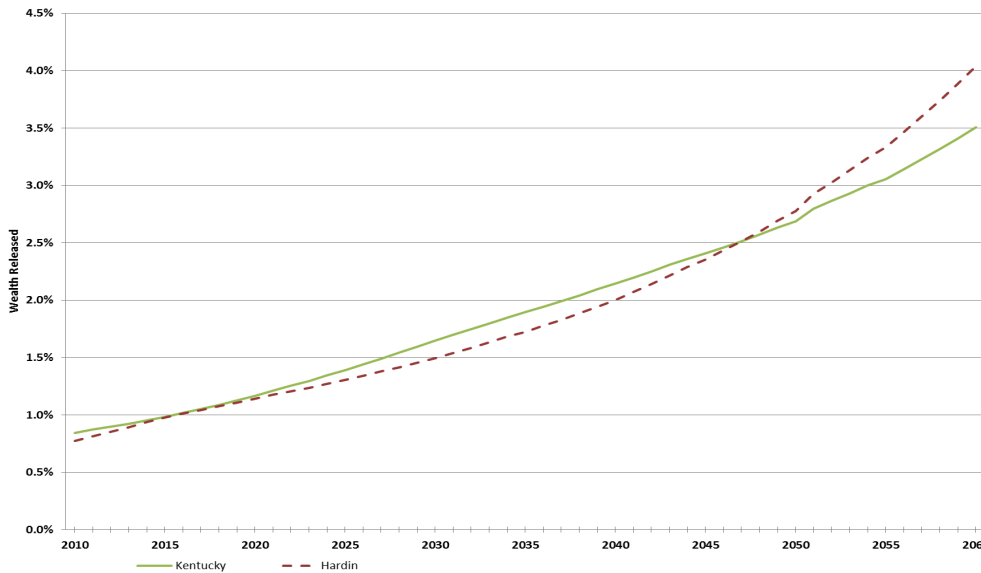
## Kentucky Transfer of Wealth

Using conservative analysis, economists estimate the current net worth of Kentuckians to be **\$727.85 billion** (\$409,779 per household). Over the next ten years, **\$80.4 billion** (\$45,267 per household) is expected to pass from one generation to the next. Over the next 50 years, **\$760.6 billion** (\$428,210 per household) of wealth is expected to transfer to heirs. If appropriate education and advocacy initiatives are not undertaken, much of this wealth could leave our communities and our state altogether, going to out-of-state heirs who have no interest in our issues or the quality of life in Hardin County.

Transfer of Wealth	Hardin County	State of Kentucky
2017 to 2026	\$1.8 billion	\$80.4 billion
2017 to 2066	\$15.76 billion	\$760.6 billion

Transfer of Wealth Research

Transfer of Wealth: A Likely Scenario for Kentucky and Hardin County



*“Our communities will experience a once-in-a-lifetime opportunity in the next several decades as significant wealth is transferred from one generation to the next. We want to reach out and ask everyone to be a part of securing our future.”*

*Don Macke  
RUPRI Center for Rural Entrepreneurship*

RUPRI Center for Rural Entrepreneurship research estimates the percent of county and state wealth transferring from one generation to the next in the coming 50 years.

**Endow Kentucky Tax Credit**

In 2010, the Kentucky legislature enacted the Endow Kentucky Tax Credit to help incentivize communities and individuals to grow permanent endowment funds for communities. Through this tax credit, donors can receive a Kentucky Income Tax Credit of up to 20% of their gift up to \$50,000 per taxpayer.

Ask your professional tax/estate planning advisor about how you can take advantage of the tax credits – and about other ways that smart planning can give you the advantage of putting more of your wealth to work in your community.



**Let's Do Some Good Today!**

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*Central Kentucky Community Foundation is committed to partnering with individuals and businesses to create charitable funds to support the causes they care about -- now and for many years to come. Offering philanthropic experience and expertise to our nine-county region, Central Kentucky Community Foundation continues to fulfill its mission of improving the quality of life for all residents.*