

# A GIFT FOR GENERATIONS

The Midwest's land grant universities started out as small agricultural colleges. Today they're internationally recognized institutions of higher learning, attracting the world's best and brightest to the Heartland.



**U**nder current IRS rules, you can gift tax-free up to \$13,000 per year to anyone you choose ... children, grandchildren, nieces or nephews, or any special person. Gifting has merit for a variety of reasons:

- Taking care of loved ones makes you feel good
- Provide for their educational needs
- Lessen your estate tax bill, taxed currently at 45%, but may be 55% in January 1, 2011
- Take advantage of Compound Interest, which Einstein deemed "The Eighth Wonder of the World"

Over the long term, U.S. stocks have delivered a compounded annual return of 9%.\* Although

nothing in today's world is guaranteed, you can use the classic **Rule of 72** to estimate the number of years it will take to double an investment at a given rate of return. Using 9% as an example, a single one-time maximum gift of \$13,000 will double in 8 years to \$26,000 ( $72 / 9 = 8$ ).

Alternatively, you can contribute a lower amount each year. With an annual gift of \$1,000 for 24 years at a 9% rate of return, the newborn would potentially have nearly \$84,000 at age 24. **The key is to get started now and stick to the plan, in good markets or bad.**

*Call Heartland Funds at 1-800-432-7856 to open an account today. We'd love to have you as a member of the Heartland family.*

## Single One-Time Maximum Gift of \$13,000

Year	Balance
0	\$13,000
8	26,000
16	52,000
24	104,000

*Assumes 9% as hypothetical rate of return.*

## Annual Gift of \$1,000 for a total of \$24,000

Year	Balance
0	\$1,000
8	12,021
16	35,974
24	83,701

*Assumes 9% as hypothetical rate of return.*

\* Source: Political Calculation 2006

*The Rule of 72 is a mathematical concept and is not illustrative of any Heartland investment. The examples generated are hypothetical and are for illustrative purposes only. It does not guarantee or predict how an investment will perform. It is an approximation of the effect of given rates of return and assumes a long-term investment horizon of greater than 20 years. It is important to keep in mind that most investments, including mutual funds, do not grow at a steady rate and the Rule of 72 should only be used as a guide in setting long-term investment goals.*

***This is intended for general information only. The Heartland Funds do not offer tax advice. Please refer specific questions to a tax professional.***

**Past performance does not guarantee future results.**

**An investor should consider the Fund's investment objectives, risks, and charges and expenses carefully before investing or sending money. This and other important information can be found in the Fund's prospectus. To obtain a prospectus, please call 1-800-432-7856 or visit [www.heartlandfunds.com](http://www.heartlandfunds.com). Please read the prospectus carefully before investing.**



**HEARTLAND FUNDS**  
AMERICA'S VALUE INVESTOR®

*The Heartland Value Fund, a series of Heartland Group, Inc., commenced operations on December 28, 1984.*

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