

*We are all familiar with the idea that in the act of giving we receive more than we thought imaginable. Most of us experience the reality of this truism early in life — through the eyes of a child, the gratitude of a life changed, or through the vision that is inherent in the spirit of Christianity.*

*Some may find it surprising that U.S. tax laws take this reality one step further and provide tangible evidence that a gift changes much more than the charity on the receiving end. It is with purpose that our laws embrace planning strategies like the Charitable Gift Annuity — offering measurable incentives to help change the world...*

### Rates for One Life

#### Charitable Gift Annuities

Age	Rate
65	5.3
70	5.7
72	5.9
74	6.1
76	6.4
78	6.7
80	7.1
82	7.5
84	7.9
86	8.3
88	8.9
90	9.5



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# The Charitable Gift Annuity



## In Giving, You Receive

The Charitable Gift Annuity (CGA) is a planning tool that, at its heart, recognizes the fact that the rewards of giving begin with the desire to make a gift.

There are two elements of the Gift Annuity: the transfer of an asset from the donor to charity and the signing of a contract in which the charity agrees to make annual payments to the donor(s), usually for life.

In addition to the satisfaction inherent in the act of giving, the CGA adds a *tangible* benefit in the form of an attractive annual income payment. (The specific rate is based on the age of the donor. See the table on back panel for examples.)

## Funding a CGA with Stock

While the Gift Annuity can be funded in a number of ways, let us examine the benefits of transferring an appreciated block of stock to charity.

The CGA illustration shows the highlights. Not only is there **an immediate charitable income tax deduction** by transferring an appreciated block of stock into the CGA agreement, **it is possible to bypass a portion of the capital gains tax** due upon the sale of the stock. In the case of our illustration—stock valued at \$20,000 with an original cost of \$4,000—this can save more than \$2,400 in taxes!

In addition, **the CGA may significantly increase income**. If the stock had been producing dividends of 3% (\$600 a year), the 4.9% annuity payment to the 65-year-old couple in our illustration marks an annual increase of \$380!

And the benefits do not end there. Of the \$980 annual income payment to the couple, **\$140 is tax-free**. Based on the couple's life expectancy (26 years), annuity payments will total \$25,676.

Combine the annuity payments and tax savings, and the CGA produces a 5.9% annual return for the couple...a nice improvement!

*(This is not legal advice. Any prospective donors should seek the advice of a qualified estate and/or tax professional to determine the consequences of their gift.)*

## More Information...

I have reviewed your brochure on the Charitable Gift Annuity and would like to receive specific information on how a CGA would help me ensure income and make a charitable contribution. Please send me a personalized CGA proposal based on the following:

Name \_\_\_\_\_

Street \_\_\_\_\_

City \_\_\_\_\_

State/Zip \_\_\_\_\_

Home Phone \_\_\_\_\_

Work Phone \_\_\_\_\_

Asset Value \_\_\_\_\_

Cost Basis \_\_\_\_\_

First Person DOB \_\_\_\_\_

Second Person DOB \_\_\_\_\_

First Payment Date \_\_\_\_\_

*(Please complete and return to the address on the back panel. Inquiries are treated in complete confidence.)*

