

# Ensure OUR FUTURE

## Charitable Gift Annuities

*Make an enduring contribution to charity while enjoying substantial financial benefits.*



A Charitable Gift Annuity (CGA) is a contract between you and the Jewish Community Foundation that provides you with fixed annuity income payments over your lifetime when you contribute an irrevocable gift of cash or securities. A CGA serves as an attractive alternative to many low yield investments, offers several financial and philanthropic benefits, and provides an enduring contribution.

### CGA At-A-Glance

- ◆ A simple, uncomplicated vehicle for planned giving
- ◆ Provides a guaranteed annual income to you and/or your spouse or another loved one, with a portion tax free
- ◆ Provides a current charitable income tax deduction and a reduction of your taxable estate
- ◆ Defers capital gains tax for gifts of appreciated securities
- ◆ Convert low and non-producing assets into higher income

By establishing a **Charitable Gift Annuity** through the Jewish Community Foundation, you will receive a fixed income for life beginning any time after age 50. The payments will never change and will continue for the lifetime(s) of the annuitant(s). Payments are determined by the number of annuitants, the age of the annuitants and prevailing rates at the time you fund the gift. Rates are generally higher than prevailing CD rates and offer more stability than stocks. Ultimately, the remainder becomes the property of the Foundation to be used for predetermined charitable needs. A minimum gift of \$100,000 can establish a CGA.



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## Examples of how you might benefit from a Charitable Gift Annuity

A donor, age 70, established a CGA with \$100,000 cash. It will pay them 6.1%\* for their life in monthly installments. They receive a onetime income tax deduction of \$39,164, and annual income of \$6,100, with \$3,800 tax free and \$2,300 as ordinary income. The remainder gift will create an endowment in their name.

A donor, age 85 owns appreciated stock that provides no dividend income. The stock was purchased in 1984 for \$10,000 and is now worth \$100,000. The donor would like to convert the asset into an income stream to meet the donor's needs, but would like to postpone the capital gains tax. The donor establishes a CGA with the stock. It will create an income stream of \$8,900 a year for life, of which \$6,257 is taxed at capital gains tax rates, \$1,646 is taxed as ordinary income, and \$726 is tax free, while generating a income tax deduction of \$46,328. The remainder gift will also create an endowment in the donor's name.

\*Rates are set by the IRS approved American Council on Gift Annuities tables. The rate in place when a CGA is established will be used for the duration of the CGA.

### Current CGA Payment Rates (One Life)

Age 65:5.7%      Age 70:6.1%      Age 75:6.7%      Age 80:7.6%      Age 85:8.9%      90+:10.5%

*These examples are meant as suggestions. The staff of the Jewish Community Foundation would be happy to speak with you or your financial/legal advisor to develop language that reflects your specific objectives.*

*Contact the Jewish Community Foundation with questions at  
562-426-7601 ext. 1008.*



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