

Strengthen Your Future With a Charitable Gift Annuity

Receive Income for Life and Save on Taxes

The charitable gift annuity is a time-tested idea whose rewards never fade. The concept first appeared in America in 1843, when a Boston merchant made a gift to the American Bible Society in exchange for lifetime payments. Nearly two centuries later, charitable gift annuities remain a meaningful way to support causes you care about—offering not only financial and tax benefits, but also the lasting satisfaction of advancing our mission and good work.

When you establish a charitable gift annuity with us, your contribution is divided into two parts:

- The portion that represents your charitable gift, and
- The portion that represents your lifetime annuity payments.

If you itemize deductions, your federal income tax charitable deduction for the gift portion can reduce the net cost of your contribution.

Funding your annuity with appreciated property—rather than cash—can offer additional advantages. You won't owe capital gains tax when you make the gift. Instead, a portion of each payment will be taxed as capital gain (as long as you are the primary annuitant and the annuity interest is assignable only to the charity).

New Opportunity:

If you're 70½ or older, you can now use funds directly from your IRA to create a charitable gift annuity—making a one-time, tax-free election of up to \$50,000. This option is subject to specific rules, so please contact us to see if it's the right fit for you.

Understanding Annuity Rates

Annuity rates are determined by life expectancy, meaning older annuitants typically receive higher rates. Rates also vary based on the number of annuitants, with two-life contracts generally offering lower rates since payments are expected to continue over a longer period. Most organizations follow the rates recommended by the American Council on Gift Annuities (ACGA). For the most up-to-date rates and eligibility details based on age, consult your estate planning attorney or contact our representative.

ANNUITY RATES: ONE RECIPIENT

Recipient's Age	Annuity Rate
60	5.2%
65	5.7%
70	6.3%
75	7.0%
80	8.1%
85	9.1%
90+	10.1%

ANNUITY RATES: TWO RECIPIENTS

Same Age	Annuity Rate	Different Age	Annuity Rate
60	5.2%	60/65	4.8%
65	5.7%	65/70	5.2%
70	6.3%	70/75	5.8%
75	7.0%	75/80	6.5%
80	8.1%	80/85	7.3%
85	9.1%	85/90	8.7%
90	10.1%	90/95+	9.9%

NOTE: Rates are subject to change. Please contact us for a personalized illustration. If you reside in New York, please contact us directly as your rates may vary slightly.

Benefits Case Study

James, age 72, decides to contribute a maturing \$30,000 certificate of deposit to our organization. Since he would like to maintain a steady income stream, he uses the funds to establish a one-life charitable gift annuity that pays at the suggested rate of 6.8%, providing him with \$2,040 per year for life.

Because James itemizes his tax deductions, he qualifies for a federal income tax charitable deduction of \$12,285*—the portion of his \$30,000 gift attributed to the charitable component. With a 32% marginal income tax bracket, his tax savings of \$3,931 reduce the net cost of his gift to \$26,069.

*Based on a 5.2% charitable midterm federal rate. Deductions and calculations will vary depending on your personal circumstances.

We'd be delighted to help you design a charitable gift annuity that aligns with your personal goals while supporting our mission. To explore the benefits and options available, contact us today to start the conversation.

Contact Us

Tyler Smith

VP for Philanthropy and Alumni Engagement

Phone: 606-539-3571

Email: plannedgifts@ucumberlands.edu

6191 College Station Drive

Williamsburg, KY 40769