

# The Security of a Charitable Gift Annuity



A Gift that  
Provides  
Lifetime Fixed  
Payments



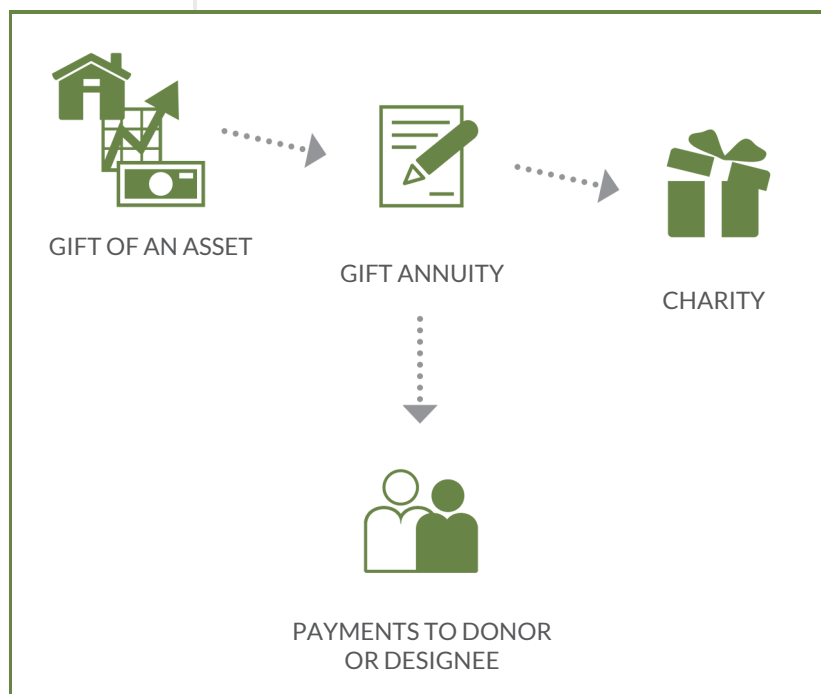
INSTITUTE FOR  
HUMANE STUDIES  
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Are you concerned about fluctuation in the markets? Are you looking for security now or in the future? A charitable gift annuity, also called a CGA, can provide you with secure fixed payments for life and help you leave a lasting personal legacy to support our cause.

## What Does Security Look Like?

When you make a gift to us to fund a charitable gift annuity, we make a promise to pay you fixed payments for life. Here are some of the benefits:

- You may benefit from a charitable income tax deduction in the year of your gift.
- Payments will be made to you at a rate based on your age.
- A portion of your payments could be tax free and subject to lower capital gains tax rates.



*You can select how often you receive the annuity payments - either monthly, quarterly, semi-annually or annually.*

*Contact us to discuss the best payment options to meet your needs.*

*Sample annuity rates, as of 10/16/2020, subject to change:*

**One Life Annuity:**

<u>Your Age</u>	<u>Annuity Rate</u>
65	4.2%
70	4.7%
75	5.4%
80	6.5%

**Two Life Annuity:**

<u>Donor 1 Age</u>	<u>Donor 2 Age</u>	<u>Annuity Rate</u>
65	70	4.0%
70	75	4.3%
75	80	4.9%
80	85	5.8%

# The Benefits of Funding a CGA with Stock

A gift annuity offers even more benefits when you fund it with stock or other appreciated assets.

- You will bypass the capital gains tax allocated to the charitable gift portion of your gift annuity.
- Part of your CGA payments will be taxed at capital gains tax rates.
- Your gift will be based on the current value of your stock.

# A Gift Annuity Can Be Part of Your Retirement Plans

If you are planning for retirement, a gift annuity can be a way for you to begin planning today and create security for your future.

- Payments can be made to you, or to you and your spouse, for as long as you live.
- You can defer beginning payments until your retirement date. You will still receive a charitable deduction for your gift this year.
- The payment start date can be flexible if you do not have a definite retirement date.
- You will receive fixed payments for life. The longer you wait before receiving payments, the larger the payments will be.
- Our organization benefits from what remains after all payments have been made to you.

# Definitions

## **Charitable Gift Annuity**

A contract between a donor and charity where the donor contributes an asset in exchange for a lifetime of fixed payments.

## **Deferred Gift Annuity**

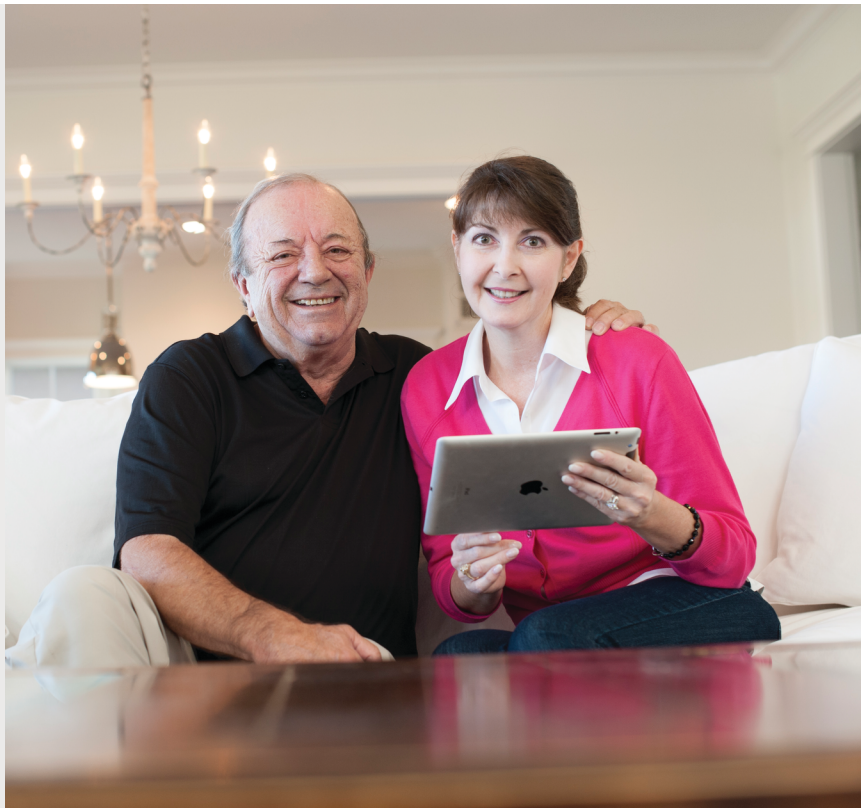
A gift annuity where the first payment date is delayed, giving the annuity recipient higher payments and a higher income tax deduction for the donor.

## **Appreciated Assets**

Assets that have increased in value while you have owned them.

## **Capital Gains Tax**

A tax due when you sell a capital asset. The tax is based on the difference between the current value of an asset and your cost basis (often what you paid to acquire the asset).



## Let Us Help You

Please contact us for more information on the benefits of a charitable gift annuity. Ask us for a free illustration with your potential gift annuity payment rate and tax benefits.

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Main Website: [TheIHS.org](http://TheIHS.org)  
Gift Planning Website: [IHSlegacy.org](http://IHSlegacy.org)

