

Immediate Benefits; LONG-TERM LEGACY

“I HAVE FOUND THAT AMONG ITS OTHER BENEFITS,
GIVING LIBERATES THE SOUL OF THE GIVER.”

— *Maya Angelou*

In recent months there has been a lot of publicity given to the “Leave a Legacy” initiative encouraged so energetically through the non-profit and church world. There’s no denying that we all should look to the final disposition of our assets sooner rather than later, but, at the same time, it isn’t much fun to contemplate a time when we might not be around. While bequests will always be a thoughtful way to create a legacy, there are some other options that we might consider. Some provide immediate tax and income benefits and, ultimately, generate a charitable gift in our name.

We, together with the Episcopal Church Foundation, can help you create a Charitable Gift Annuity. This gift arrangement allows you to contribute cash or appreciated securities to secure an annuity for your life and/or the life of another. The rate paid depends upon your age(s) (and here, older is better!). The Foundation will pay a guaranteed set income each year as long as you live, and upon the death of the final beneficiary, the remaining assets are transferred to (name of parish) to support the ongoing work of the church in your name.

In addition to the income you receive, you are entitled to an income tax deduction for a portion of the contribution, and an estate tax deduction, and you will not have to pay capital gains tax immediately on the appreciated assets used to fund the annuity. Imagine, you increase your

income, delay capital gains taxes, qualify for income and estate tax deductions, and create a legacy at your church!

EXAMPLE:

Grant Tucker, age 80, owns 100 shares of stock currently worth \$10,000. The stock pays only 2.3 percent, but since he paid only \$5 per share when he purchased it, Grant is reluctant to sell the stock, pay the capital gains tax (\$1,900), and then reinvest the balance. Instead, he elects to donate the stock to St. Andrew’s Church to fund a charitable gift annuity. Based on his age, he will receive an annual income of \$920, be entitled to an income tax deduction of \$4,769, and will delay paying capital gains taxes on the stock’s appreciation. In addition, the stock will not be included in his estate. In time his gift will be added to the endowment to support the music program at the church.

If you would be interested in learning more about Charitable Gift Annuities or would like to review a personalized illustration of how you might benefit from making such a gift, please contact a Planned Giving committee member or the Episcopal Church Foundation at (800) 697-2858, www.episcopalfoundation.org, for confidential advice.