

Charitable Gift Annuity

Income for today, a gift for tomorrow



Is a charitable gift annuity right for you?

People in the following circumstances may benefit from a gift annuity:

- You would like to increase your cash flow because interest rates on your CDs and other fixed-income investments have declined
- You own appreciated stock or mutual fund shares that you may be interested in selling and reinvesting, but you don't want to pay taxes on the capital gains
- You would like a fixed income that you cannot outlive and is unaffected by interest rates and stock prices
- You would like to assure your spouse will continue to receive payments upon your death
- You would like to provide financial assistance to someone and receive tax advantages



Saginaw

community foundation

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With a charitable gift annuity, you can give a generous gift to the Saginaw Community Foundation, while providing yourself a new income source you can count on for the rest of your life.

With your gift, we will set up a contract that combines immediate annuity payments with a deferred charitable gift.

As a result, you will receive a stream of income that is fixed, regardless of market conditions. You also will receive an immediate tax deduction for the charitable portion of your gift. A charitable gift annuity reduces estate assets and may reduce estate taxes. Additionally, a charitable gift annuity is easier to set up than a charitable trust and is backed by the general assets of the foundation.

Income from your charitable gift annuity may add up to more than the interest and dividends you earned from holding the assets. You can use this income to supplement your own lifestyle, or that of someone else: a sibling, a dependent parent, a friend or a former employee. You or a loved one can start receiving annuity payments immediately, or defer them to increase your charitable income tax deduction.

A portion of the income may be a tax-free return of principal, while some is taxed as ordinary income or capital gains. The amount of the annuity paid and the tax deduction received depends on the age of the recipient and the current annuity rate (as established by the American Council of Gift Annuities).

Upon your death, the foundation will set up an endowment fund in your name, in the name of your family or business, or in honor of any person or organization you choose. Once invested, earnings from your fund are used to make grants to address community needs.

To start your charitable gift annuity, you can give cash, appreciated stocks, real estate or other assets.

The Saginaw Community Foundation handles all the administrative details, including issuing annuity payments to you during your lifetime and, afterward, issuing annual grant awards to charities in the name of the fund.

For more information and ideas on ways to integrate your financial planning with charitable giving, ask your financial advisor or contact Saginaw Community Foundation at (989) 755-0545.

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