CHARITABLE GIFT ANNUITIES

Make a gift of cash, publicly-traded securities or mutual funds and, in turn, receive a stream of income payments for life.

Through a charitable gift annuity at InFaith Community Foundation, you give cash, publicly-traded securities or mutual funds and, in turn, receive a life-long stream of income.

• Begin receiving payments immediately or defer payments to a future date.
• Receive ongoing quarterly payments that remain constant, regardless of investment performance.
• Upon the death of all named to receive income, the remainder of the charitable gift annuity is directed to your donor advised fund to provide ongoing, annual support to your favorite charities or causes for a set number of years or in perpetuity.

Gift Minimum: $10,000.

BENEFITS OF GIVING

Support Favorite Charities or Causes. Upon the death of the income recipient(s), the remaining value of the gift annuity is directed to your donor advised fund. Your fund is invested and managed to provide long-lasting support to your recommended charities and/or causes.

Receive Lifetime Income. Quarterly payments to you, your spouse, family members or friends can begin immediately, at a future specified date, or at a future flexible date. The lifetime income payment percentage is based on the age(s) of the named income recipient(s), and range from 2.2–9%. InFaith bases its gift annuity rates on rates recommended by the American Council on Gift Annuities.

Reduce Annual Taxes. Receive an immediate charitable income tax deduction in the year the gift is made. Unused charitable deductions can be carried over an additional five years. In addition, a portion of your gift annuity income is typically free from taxes. For gifts of appreciated securities owned for more than a year, you bypass capital gains taxes on the appreciated value at the time of the gift in most cases.

Lower Estate Taxes. By taking assets out of your estate, you'll reduce the size of your estate and possibly your tax liability. (There can be estate/gift tax consequences if someone other than you or your spouse is named as an income recipient.)

HOW IT WORKS

FOR MORE INFORMATION

For more information, call InFaith Community Foundation at 800.365.4172 or visit inFaithFound.org. We can assist you by providing a personalized illustration that describes the income and tax benefits you could receive. There is no charge and you are under no obligation.
DONOR STORY

Immediate Gift Annuity

The Donor. A woman, 76, decided to cash in a matured certificate of deposit (CD) to supplement her retirement income and benefit her favorite charities.

Her Gift. She established an immediate gift annuity using $25,000 cash. Based on her age, the gift annuity payout percentage was set at 6%, providing her with an annual income of $1,500 for life. Approximately $1,165.50 of this annual income is free from income tax during her life expectancy. She also received a charitable income tax deduction of $11,253.

Upon her death, the remainder of her gift annuity goes into her donor advised fund to provide long-lasting support to her favorite charities, including her church.

Flexible Deferred Gift Annuity

The Donors. A couple, age 60 and 63, both working, owned $100,000 in stock and wanted to use it to create a future source of retirement income and support their favorite charities.

Their Gift. They established a flexible deferred gift annuity using $100,000 of appreciated stock. Based on their ages and a deferral period that’s 10-20 years in the future, their gift annuity payout percentage will be between 5.5% and 9.1%, depending on when they decide to begin taking payments. They also received an immediate charitable income tax deduction of $40,160, and will receive quarterly income payments until their deaths. What's left in their gift annuity goes into their donor advised fund to support charities named by their children.

The dollar amounts in these examples are estimates. Gift annuity payments are based on the full faith and credit of InFaith. Payment rates, charitable deductions and other benefits vary based on age, date of gift and other factors. These examples reflect a prevailing IRS discount rate of 2.0% as of January 2020.


InFaith Community Foundation is a national charity with a mission to serve donors, spread joy and change lives. Through InFaith, giving is customized to each donor’s charitable interests and financial circumstances. InFaith is a proven steward of these gifts, earning consistently high ratings from Charity Navigator and GuideStar for sound fiscal management, transparency and commitment to excellence. Together with donors, InFaith grants millions of dollars annually to charities serving local, national and global communities.

To learn more, visit inFaithFound.org.

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