

Q: Can I give securities rather than cash to set up a gift annuity?

A: Yes. Often the tax benefits are even greater if the securities have increased in value because you may avoid the tax on a portion of the capital gain in the property. If you give a low yielding asset, you may be able to increase your income, since a gift annuity may pay more.

Q: Can I arrange for a gift annuity through my will?

A: Yes, you can specify in your will that part of your estate be used to create a gift annuity. Many people do this to ensure supplementary income for a loved one.

Q: Will my gift annuities be part of my estate?

A: No. If payments are made to you only the gift portion goes directly to the charitable recipient, thus avoiding estate taxes and probate costs.

Q: Do I have to wait until I retire for the payments from a gift annuity to begin?

A: No, the payments are not tied to retirement age.

Q: How old do I have to be to obtain a charitable gift annuity from the Union County Foundation?

A: You must be at least 55 years of age.

Q: How can I begin a gift annuity?

A: A gift annuity can be created with minimum effort. The first step is to request a gift annuity quote simply by contacting:

The Union County Foundation
937-642-9618

Uniform Gift Annuity Rates

To determine the size of payments one person will receive, multiply the rate shown below for the person's age by the \$ value of the amount used to create the annuity. For example, a 75 year old creating a \$10,000 gift annuity receives 5.8% or \$580 annually for life.

(Rates reconfirmed effective April 1, 2014)

Age	Rate	Age	Rate
31	2.6	61	4.4
32	2.6	62	4.5
33	2.7	63	4.5
34	2.7	64	4.6
35	2.8	65	4.7
36	2.8	66	4.8
37	2.9	67	4.8
38	2.9	68	4.9
39	3.0	69	5.0
40	3.0	70	5.1
41	3.1	71	5.3
42	3.1	72	5.4
43	3.2	73	5.5
44	3.3	74	5.7
45	3.3	75	5.8
46	3.4	76	6.0
47	3.5	77	6.2
48	3.6	78	6.4
49	3.6	79	6.6
50	3.7	80	6.8
51	3.8	81	7.0
52	3.8	82	7.2
53	3.9	83	7.4
54	3.9	84	7.6
55	4.0	85	7.8
56	4.1	86	8.0
57	4.1	87	8.2
58	4.2	88	8.4
59	4.3	89	8.7
60	4.4	90 and Over	9.0

Union County Foundation
A 501(C)(3) Charitable Organization

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Questions & Answers
About

CHARITABLE GIFT ANNUITIES



Union County Foundation
Invest Today. Shape Tomorrow.



BBB Accredited Charity

Phone: 937-642-9618

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www.unioncountyfoundation.org

A Gift That Benefits *Both* You and Your Favorite Charity

More and more people are discovering the surprising benefits of making charitable gifts in the form of gift annuities.

A gift annuity offers you a **high rate of current income for the rest of your life** (See **rate chart on back of brochure**) and a way to support charities in Union County. Benefits include:

- lifetime fixed income
- tax savings
- eventual support to your favorite charity(s)

A charitable gift annuity particularly meets the needs of those who wish to “give” but want to make certain that they have first provided for their own financial needs and the needs of their loved ones.

If you feel you pay too much of your income towards taxes, a charitable gift annuity in most cases will help you reduce your tax liability.

Answers to Frequently Asked questions

Q: What is a charitable gift annuity?

A: A gift annuity is an agreement between an individual and a qualified charitable organization or institution such as *The Union County Foundation*.

The donor transfers assets to the organization and in turn receives fixed quarterly income payments for the rest of his or her lifetime. Upon the death of the annuitant the specified charity(s) receives the remainder (usually about 50%) of the donor’s original investment. This remainder balance comprises the charitable gift component of the annuity.

Q: Are there tax benefits?

A: Yes. Since a portion of your gift will be used for charitable purposes, you are entitled to a federal (and perhaps state) income tax deduction *in the year you make your gift*. Also, part of each quarterly payment you receive is tax-free for a period of years.

Q: What determines the size of each payment?

A: The main factors are the amount you place in the gift annuity initially and the ages of the annuitants at the time the annuity is created.

Q: Why does my age affect the rate of payment I receive?

A: Part of the amount you transfer is returned to you over your life expectancy, and life expectancy changes with age. Specifically, the older you are when your gift annuity begins, the higher your rate of interest income.

Q: Does that mean the payments I receive change from year to year?

A: Not your payments on a particular gift annuity agreement. The rate is set and fixed when your annuity begins. But if you set up additional gift annuities, as many people do, the rate and payments will generally be different (often higher) for each agreement made in subsequent years.

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Q: Can I outlive my payments?

A: One of the attractive features of the gift annuity is that you cannot outlive its benefits. The issuing organization is obligated to make payments for as long as an annuitant (a recipient of payments) lives.

Q: Are the payments affected by stock market fluctuations?

A: No, they cannot be lowered, cancelled, delayed, or suspended, regardless of stock market performance or the national economy.

Q: What type and value of gifts are accepted to fund an annuity?

A: Cash or assets (securities etc.) of \$10,000 or more.

Q: Can I deduct the gift value of the annuity on my federal tax return?

A: Yes, if you itemize deductions, you can deduct the gift portion on your tax return in the year of the gift. For cash gifts the deduction is up to 50% of adjusted gross income and up to 30% of A.G.I. for gifts of appreciated securities.

Q: Is the payment the same if more than one person receives payments?

A: Not usually. Annuity payments may be made for the lives of as many as two persons. Since the period of their combined life expectancies is typically longer than one person's life expectancy, the rate of payment will be somewhat lower. Payment rates for two-life annuities are available upon request.