

Deferred Charitable Gift Annuity



Photo: Raul Silverio Carbaja / Socios En Salud
Community Health Worker Inela Espinoza
Cadenas discusses early childhood development activities with mother Karina Tamani Tihuanari in Lima, Peru, on June 30, 2014.

A Gift that Gives Back When You Need It

A deferred charitable gift annuity is a contract between you and Partners In Health that provides advantages for both. You can make a gift and receive immediate financial benefits. By funding a deferred charitable gift annuity you will provide valuable support to Partners In Health and receive a charitable income tax deduction and fixed payments for your lifetime or the lifetime of a loved one.

The deferred charitable gift annuity is an ideal choice for younger donors or those who have not yet retired, providing a tax deduction now and tax-favored retirement income later. Such a deferred investment can supplement other tax-sheltered investment plans, such as IRAs, 401(k)s, 403(b)s, or Keogh plans. And if you donate appreciated securities instead of cash, you may be able to reduce your capital gains tax liability as well.

Summary of

FINANCIAL BENEFITS:

- **You have sufficient income now but want to supplement your income later, for example, when you retire**
- **By deferring the start of payments, you receive a higher annuity rate**
- **Guaranteed fixed payments for life**
- **A portion of your payments may be nontaxable**
- **Charitable income tax deduction for a portion of the gift**
- **Reduced capital gains taxes**

Sample Annuity Rates*

AGE	YEARS DEFERRED	PAYMENT RATE	PAYMENT	DEDUCTION
60	10	7%	\$700	\$4,345
65	8	7%	\$700	\$4,876
70	6	7.2%	\$720	\$5,256
75	5	7.9%	\$790	\$5,870

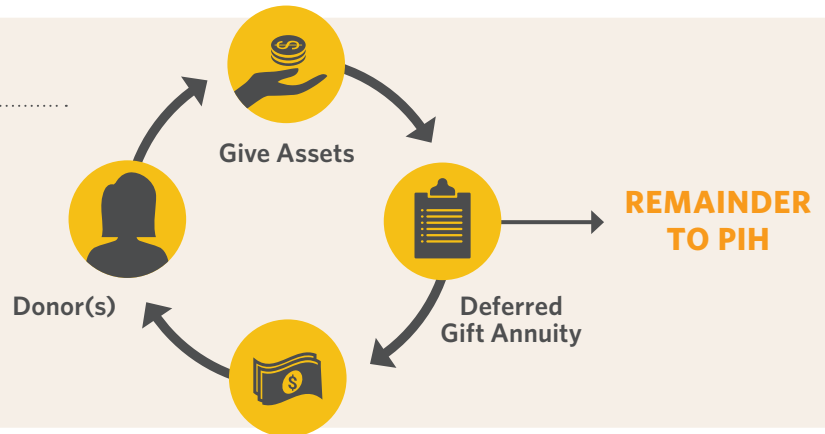
* Based on rates recommended by the American Council on Gift Annuities (subject to change).

"For the first time in my life, I was able to give with complete confidence knowing that my donations would be used in the best possible way."

- Thomas J. White,
Co-Founder, Partners In Health

EXAMPLE:

Beth J., age 76, contributes \$10,000 cash and receives a lifetime annuity of \$820 (Annual payments start in 2021), of which \$470 is tax-free. She receives an income tax deduction of \$5,867 in the year she makes the gift.



Income Tax Deduction Fixed Payments

Benefits:*

- Guaranteed fixed payments for life.** The annuitants you name will receive fixed annual payments for life, backed by the general resources of Partners In Health. With attractive annuity rates, your cash flow may increase from what you currently receive from your asset.
- Income tax deduction.** You will receive an income tax deduction in the year of your gift to be used for immediate tax savings. This is usually 20%-40% of your gift amount.
- Favorable capital gains tax treatment.** If you fund the annuity with long term appreciated securities (ones you have held for more than one year), you will incur tax on only part of the gain. If you name yourself as an annuitant, this tax will be spread out over many years. In other words, some of the capital gain is forgiven completely and the other portion is spread out over your life expectancy.
- Reduced estate costs.** Your estate may enjoy reduced probate costs and estate taxes.
- Support Partners In Health.** You will have the satisfaction of knowing you are contributing generous support to Partners In Health's commitment to provide the benefits of modern medical science to those most in need of them and to serve as an antidote to despair.

NEXT STEPS:

To receive further information and assistance on charitable gift annuities please contact our Gift Planning Office:

call (857) 880-5717

email giftplanning@pih.org



Injustice has a cure

* Because everyone's situation is different, we encourage you to seek professional legal, estate planning, and financial advice before deciding on a course of action. This information does not constitute legal or financial advice and should not be relied upon as a substitute for professional advice.