

charitable income tax deduction for a percentage of your gift, usually between 30% and 50%. We can estimate the tax benefits you might enjoy.

#### How are annuity payments taxed?

When you fund a CGA with a cash gift, part of your annuity is *tax-free* income—until you reach your life expectancy—and part is reportable as ordinary income. If you fund your CGA with a stock gift, then your annuity income will be part tax-free, part ordinary income, and part capital gains income. When you outlive the actuarial predictions your annuity payments will be reportable as ordinary income.

#### What if I don't currently need the income?

You can choose to set up a deferred gift annuity (DGA) which gives you options about when you would like to start receiving annuity payments. Deferred annuity rates are generally slightly higher than the rates in immediate annuities.

#### Who manages investments?

The UUA and State Street Bank and Trust of Boston, MA are co-trustees of the UUA Annuity Reserve Fund. All gifts are added to this trust account and invested and managed separately from UUA institutional funds. The UUA Treasurer and Financial Advisor monitor investment performance and work with the bank to ensure that socially responsible investing is practiced.

#### May I see more financial information?

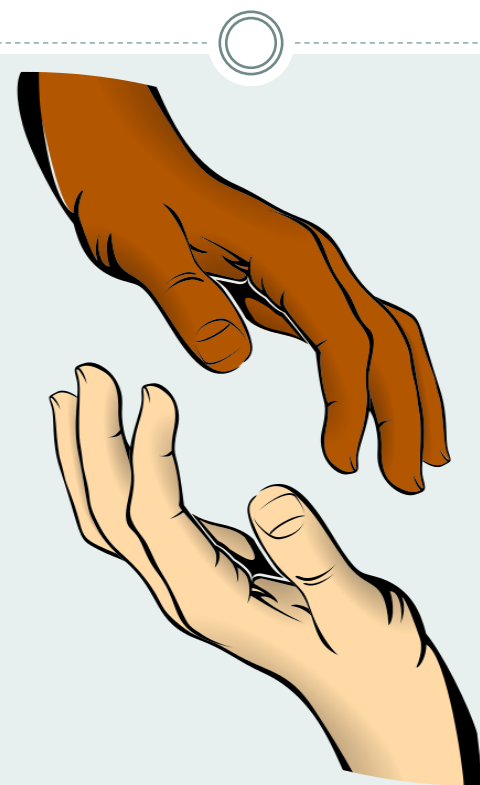
Yes. Prior to completing a gift, every prospective donor received a disclosure statement. As of April 30, 2014, the Gift Annuity Reserve Fund held 342 charitable gift annuities, with a fair market value over \$7.51 million.

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Information in this booklet does not constitute legal or tax advice. It is recommended that you consult with your attorney and tax advisor for such advice.

## The UUC Charitable Gift Annuity



Unitarian Universalist  
Congregation

Giving is one of life's great satisfactions, especially when you know that your gifts help to improve the lives of others. Gifts of time, talent, and financial resources all help to make our congregation thrive.

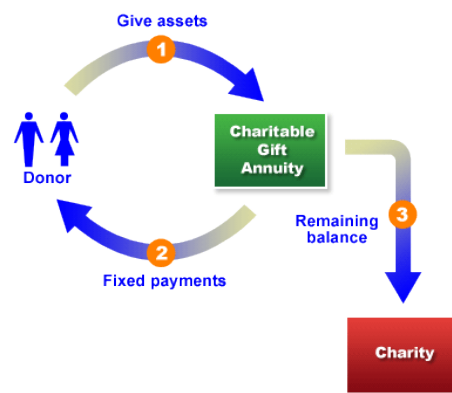
Life income plans, including charitable gift annuities, also are important to our common future. They offer many benefits that can help you meet your current and long-term financial goals and help you give significant financial resources to support our mission after you are gone. For example, when you give to a charitable gift annuity plan, you can:

- Secure a guaranteed fixed income
- Increase your income
- Provide for loved ones
- Enjoy a charitable income tax deduction
- Enjoy some tax-free income
- Save capital gains taxes on gifts or highly appreciate stock
- Be a philanthropist for the future of our Unitarian Universalist Congregation

### What is a Charitable Gift Annuity?

A charitable gift annuity (CGA) is a contractual agreement between the UUA and one or two donors. A CGA will:

- Pay a fixed dollar amount to one or two people for as long as they live or for a set number of years.
- At the end of the contract, deliver what remains of the original gift to the charitable beneficiary chosen by the donor(s)— generally the UUC.



### Is there a minimum contribution?

Yes, \$10,000 is the minimum gift.

### Who may receive annuity payments?

One or two people may be annuitants. Usually, donors are the annuitants, but some donors give the right to receive income to someone else, a loved one who needs a secure income, for instance. This may be a useful estate planning tool for non-traditional couples and families.

### Tell me more about the payments.

Calculated as a percentage of the donation, the annual payment amount is fixed when the gift is completed and it never changes. The rate of payment varies with each annuity gift contract depending on ages of the people receiving payments, the number of annuitants, the times of the gift, and the date payments begin.

### How is the rate of payment determined?

The UUA uses the annuity rate tables prepared by the American Council on Gift Annuities (ACGA). This nonprofit group considers relevant financial, investment, and actuarial trends in setting payment rates for gift annuities. The Council strives to set rates that will preserve at least 50% of the gift over time and produce a good income to the annuitants.

### When are annuity checks sent?

Quarterly: at the end of March, June, September and December. Payments are mailed to your home address or wired directly to your bank account.

### Can I donate appreciated stock?

Yes. A personal check payable to UUA, a bank check, wire transfers and publicly traded stock and mutual fund shares are great assets to donate for a gift annuity.

### Do I get a charitable deduction?

Yes. If you itemize, you may claim a