



### Charitable Gift Annuities

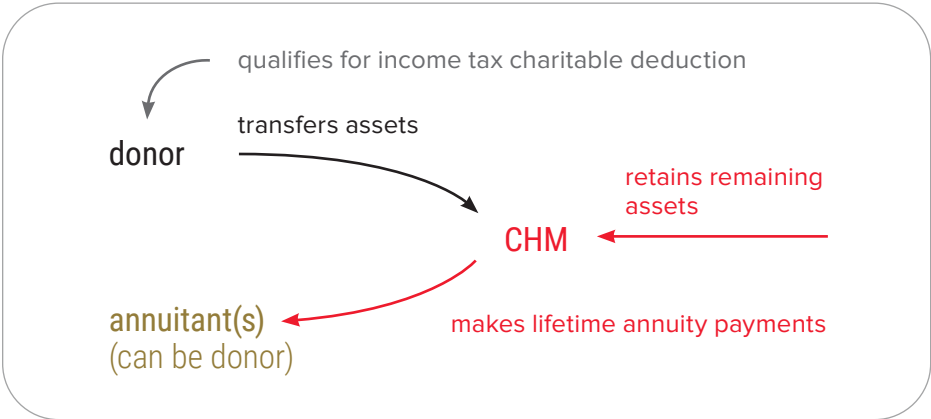
A charitable gift annuity is a contractual agreement between a donor and a charity. The donor makes an irrevocable gift and the charity makes fixed payments to the donor and/or a chosen beneficiary for life. Payments are based on the age of the annuitant(s) and the amount of the gift.

**Concept applied:**

A donor can use a charitable gift annuity to make a significant gift and receive favorably taxed annuity payments that provide an additional lifetime income stream. Generally, the older the annuitant, the higher the payout rate.

**How it works:**

Susan Meisterhans makes an irrevocable gift of appreciated stock using a charitable gift annuity. In return, the qualified charity agrees to make lifetime annuity payments to Susan based on her age, the gift annuity rate, and the gift amount. Susan enjoys favorable taxation—part of each payment is tax-free return of principal, part is long-term capital gain, and the remainder is taxed as ordinary income.



**Why is it useful?**

A charitable gift annuity lets a donor make a significant gift with a modest amount of cash or property. A donor receives favorably taxed payouts for life, qualifies for an itemized deduction, and owes no immediate capital gains tax (when donating appreciated property).



### **CHM: NOW AND INTO THE FUTURE**

From the telescope to the printing press to the steam engine, technological revolutions have always transformed the human condition. But never has there been a technological revolution set to change our world in pace, scope, and scale as the one in which we are currently immersed. Nonexistent only a lifetime ago, the forces of change brought on by the computing revolution are permanent, universal, and accelerating at an exponential rate. Great opportunities and great challenges have arisen on a scale never seen before.

This complex present and even more uncertain future requires a new citizenship—one that is equipped with knowledge, inspired by vision, and empowered to take action; one that values problem-solving, critical thinking, and collaboration; one that sets innovation and leadership in pursuit of equitable growth; and one committed to creating a sustainable future and improving the quality of life for this generation and the next.

CHM is in a unique position to empower people as catalysts for change inside our current technological revolution. CHM is using its extensive network and historical expertise amassed over four decades to promote a new citizenship for the digital age, bringing together companies and nonprofits, government leaders and policymakers, scholars and educators—because it will take all of us working together to build the future we envision.

### **FOR ADDITIONAL INFORMATION, PLEASE CONTACT**

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