



CHARITABLE GIFT ANNUITIES



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

Through a charitable gift annuity at the Lutheran Community Foundation, you make a gift of cash, publicly traded securities or mutual funds and, in turn, receive a life-long stream of income. You can begin payments immediately or defer payments to a future date. Regardless of when payments begin, you will receive ongoing quarterly payments that remain constant, regardless of shifts in the economy. Upon the death of those named to receive income, the remainder of the gift annuity is directed to your charitable fund to provide permanent support to your favorite charities.

Gift Minimum: \$10,000

BENEFITS TO YOU, THE DONOR

- Charitable gift annuities can be established with cash and/or publicly-traded securities or mutual funds. When giving appreciated securities you bypass the capital gain at the time of the gift.
- You, your spouse, family members or friends can be named as income recipients.
- Income payments can begin immediately, be deferred to a future specified date or deferred to a flexible date.
- Income payments are fixed and the percentage is based on life expectancy. Gift annuity rates are based on rates published by the American Council on Gift Annuities. Payments are guaranteed based on the full faith and credit of the Foundation.
- A portion of the gift annuity income is typically free from taxes.
- You receive a charitable income tax deduction in the year of the gift.

CHARITABLE BENEFITS OF THE GIFT ANNUITY

- Upon the death of the income recipients, the remaining value of the gift annuity is directed to your charitable fund at the Foundation. Your fund is invested and managed to provide long-lasting support to your recommended charities and/or causes.
- You can name multiple, Lutheran and/or non-Lutheran charities to benefit from your charitable fund, and you can remain anonymous to the benefiting charities, if that's your wish. Keep in mind that you may change your charitable recommendations up to five times in your lifetime.

FOR MORE INFORMATION

For more information, please contact the Lutheran Community Foundation at 1-800-365-4172. 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.

You may also wish to visit the Foundation's website at www.TheLCF.org, where you can further explore rates and payment information using our online Gift Calculator.

DONOR STORY

The Donor. Woman, age 76, decided to cash in a matured certificate of deposit (CD) to create a stream of income 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 7.2%, providing her with a guaranteed annual income of \$1,800 for life. Approximately \$1,100 of this annual income is free from income tax during her life expectancy. She also received a charitable income tax deduction of \$12,018.

Upon her death, the remainder of her gift annuity will be directed to her charitable fund to provide long-lasting support to her four favorite charities, including her church.

The dollar amounts in this example are an estimate. Gift annuity payments are guaranteed based on the full faith and credit of the Lutheran Community Foundation. Charitable deductions are based in part on the prevailing IRS discount. This example reflects a prevailing rate of 5.8%.

LUTHERAN COMMUNITY FOUNDATION

Charitable giving can result in significant tax, legal and financial consequences. Because the Foundation cannot give tax or legal advice, you are strongly encouraged to consult with your personal tax and legal advisors.

Payout rates, charitable deductions and other benefits vary based on a number of factors. With a gift annuity, you simultaneously make a charitable gift and provide guaranteed payments for life to yourself and/or another person. The fact that you are making a charitable gift may entitle you to income, gift and estate tax deductions. However, because a charitable gift is involved, the annuity rates offered by the Lutheran Community Foundation are lower than those available through commercial annuities offered by insurance companies and other financial institutions.

State Disclosures: A charitable gift annuity is not regulated by the Oklahoma Insurance Department and is not protected by a guaranty association affiliated with the Oklahoma Insurance Department. The payments made under a charitable gift annuity are subject to regulations by the California Insurance Department, but are not insured or otherwise guaranteed by the California Life Insurance Guaranty Association. Donors should seek the advice of counsel prior to entering into a gift annuity agreement. **Charitable gift annuities are not regulated by and are not under the jurisdiction of the South Dakota Division of Insurance.**

To ensure compliance with IRS requirements, be aware that any U.S. federal tax advice that may be contained in this brochure is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing and recommending another party to any transaction or matter addressed herein.

YOUR PARTNER IN GIVING

The Lutheran Community Foundation is
a public charity working nationally
to help people give to their
favorite charities and causes.

WHAT WE OFFER

- Breadth of giving options, including bequests, cash, stock, real estate, life insurance, or charitable gift annuities and charitable remainder trusts that first pay a lifetime income to the donor or another party.
- Charitable fund options to match your charitable interests, including donor advised funds and unrestricted funds.
- Flexibility to recommend Lutheran and/or non-Lutheran charities, and the option to change charities if you wish.
- Maximum tax benefits based on when and how your gifts are made. Gifts can be made during a donor's lifetime or at the time of death.