

ESTATE PLANNING

Charitable Gift Annuity

Start a Conversation About Charitable Gift Annuities

Charitable gift annuities are offered as a service of the Alabama-West Florida United Methodist Foundation. Before creating your annuity, we will provide you with a detailed illustration to share with your family and professional advisors. The Foundation will administer the gift annuity and ensure the timely delivery of your payments and tax reporting information each year.

If you are interested in a charitable gift annuity, simply complete and return the attached form or contact our office to arrange a personal visit with a Foundation representative.



UNITED METHODIST
FOUNDATION
ALABAMA • WEST FLORIDA

P.O. Box 8066, Dothan, AL 36304
170 Belmont Drive, Dothan, AL 36305
Phone: 334-793-6820 | Fax: 334-794-6480
alwfumf.org | foundation@alwfumf.org

More About Charitable Gift Annuities

Please send me a FREE illustration of the payout and tax benefits for a charitable gift annuity.

Name: _____

Phone Number: _____

Address: _____

Email: _____

City: _____ State: _____ Zip: _____

All donors will receive a free subscription to the Foundation monthly and quarterly email newsletter.

Date of Birth: ____ / ____ / ____ (Second Person Date of Birth: ____ / ____ / ____)

Gift amount to be used in illustration: \$ _____

Return this form to:

Alabama-West Florida United Methodist Foundation
P.O. Box 8066
Dothan, AL 36304
Or fax to 334-794-6480

I would like to know more about:

- ☐ Creating an Endowment Fund
- ☐ Services of the Foundation
- ☐ Including my church in my estate plan



Giving that Benefits You and Your Church



Giving is an essential part of growth as a steward of God, in the life of the church, and for the ministry and mission God gave the church. There are many opportunities and options available to you as you consider making your gift to a United Methodist church or ministry. For many people, a **Charitable Gift Annuity** through the Foundation can be a way to make a significant gift to the church and share in these benefits:

- Designate future support for a United Methodist church, agency, program, or institution
- Receive a current income tax deduction
- Receive annuity payments for life
- A portion of the payment you receive will be tax-free
- Avoid a portion of capital gains tax when funding a gift annuity with appreciated stock
- Gift annuity rates are determined by your age when the gift is created; these rates will not change
- Depending on your age, the gift annuity can increase present cash flow

Mrs. Jones Would Like More

Mrs. Jones is 75 years old, retired, and owns a \$10,000 Certificate of Deposit at her bank, where it earns two percent interest. She plans to leave this money to her United Methodist church, but she has struggled to find a way to both give this gift to her church later and be provided with reasonable cash flow for the rest of her life now.

When she found out about creating charitable gift annuities through the Foundation, Mrs. Jones was delighted! With the gift annuity, she can make a gift to her church while increasing her cash flow. Funded by her \$10,000, her gift annuity provides:

- An annual payout rate of **5.4%** providing her with \$540 annually for life
- \$4,261 in current income tax deductions
- \$462.78 of the \$540 annuity payout is tax free for the first 12.4 years

*Based on an IRS Discount Rate of .6%.



Charitable Gift Annuity Rates

Gift annuities are created with an irrevocable transfer of cash or property and can be set up to provide payments for one or two people. Married couples often create a gift annuity that will provide for them while they are living and continues to support the surviving spouse after the other's death.

Below is a sample of our current gift annuity rates for both one and two people:

One Person		Two People		
Age	Rate	Younger Age	Older Age	Rate
60	3.9%	65	66-69	3.9%
63	4.1%	67	71-74	4.1%
65	4.2%	69	78-95+	4.4%
67	4.4%	71	77-79	4.5%
69	4.6%	73	78-80	4.7%
71	4.8%	75	79-80	4.9%
73	5.1%	77	81-82	5.2%
75	5.4%	79	84-85	5.6%
77	5.8%	81	88-89	6.2%
79	6.2%	83	86	6.3%
81	6.7%	85	87	6.8%
83	7.2%	87	89	7.4%
85	7.6%	89	90	8.0%
87	8.0%	90	91-95+	8.4%
89	8.4%			
90+	8.6%			

Rates as of July 2020.
Please verify current rates.