

Gift Annuities

What is a Charitable Gift Annuity (CGA)?

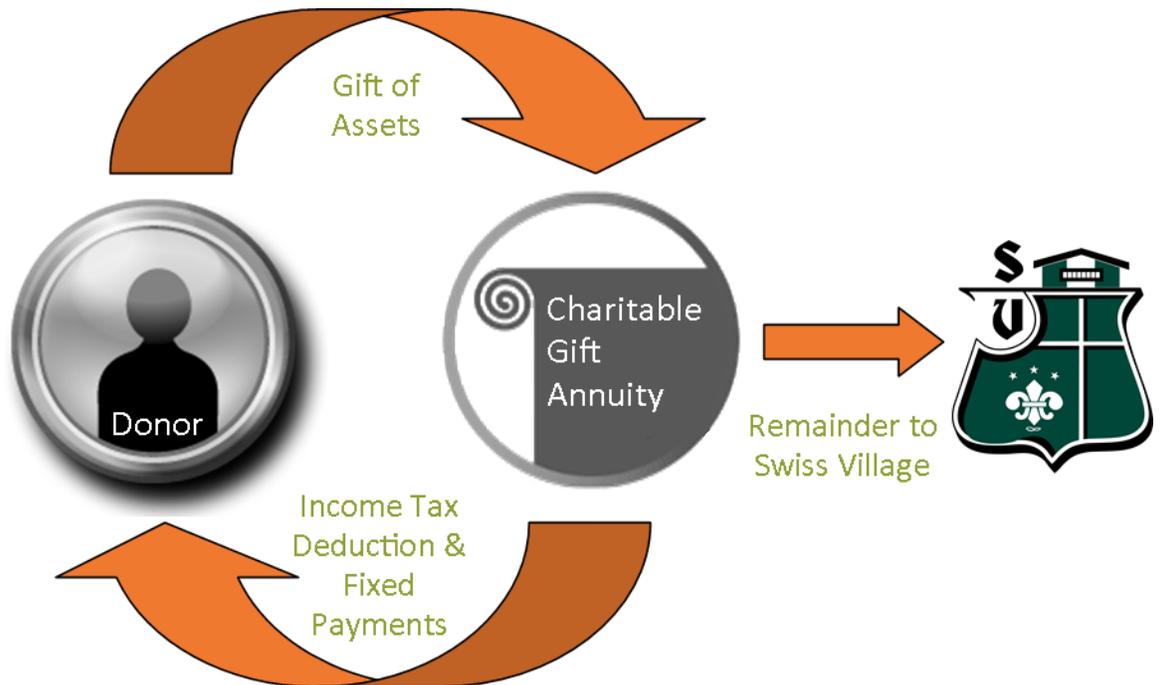
In exchange for an irrevocable gift of cash, securities, or other assets, one or two donors receive a fixed sum each year for life. The amount of fixed income is based on the donor(s) age(s), and in most cases, part of each payment is tax-free.

Advantages to Gift Annuities

- Receive fixed semi-annual payments for life with a significant portion being tax free
- Federal, and possible state, income tax charitable deduction
- Reduce or eliminate estate taxes
- Make a gift to Swiss Village that helps our residents for years to come
- Swiss Village will be able to thank you now and recognize you as a member of the **Bethesda Club**



CREATING A LASTING LEGACY



Example

Mr. & Mrs. Liechty who are 68 years old decide that they would like to give \$25,000 to Swiss Village's Samaritan's Endowment Fund to help residents in need. Since this is a Charitable Gift Annuity they will be able to take a \$5,034 tax deduction which may save them \$1,661. They will also get a payout every 6 months of \$550 for life with over \$900 of their yearly payout being tax free for 21 years! (This is an example only, for your exact figures please contact our Director of Development)

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Swiss Village, Inc. Mission Statement

Swiss Village Retirement Community is a not-for-profit corporation committed to providing quality services and affordable facilities in a Christian environment that enhances life with dignity, meaning, and opportunities for growth.

You may also create a deferred charitable gift annuity, taking a tax deduction in the year of the gift but delaying the first annuity payment for one or more years. This approach can offer dependable retirement income beginning at a future date.

If you wish to see what a Charitable Gift Annuity would look like for you, please contact our Director of Development.

We encourage you to discuss all of these options with your financial planner or attorney to make sure this is the correct option for you before making any decisions.



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Creating a Lasting Legacy

Steps to Create a Charitable Gift Annuity

Establishing a Charitable Gift Annuity is easier than you may think. You must be at least 65 to write a gift annuity or 55 to write a deferred gift annuity. Here are the five easy steps you need to take:

- 1) Decide how much you wish to donate (must be \$5,000 or over)
- 2) Select the assets you want to use to fund your Charitable Gift Annuity
 - Cash or appreciated assets
- 3) Determine if the annuity is for one life or two lives
- 4) Indicate if you wish to receive a larger immediate deduction or a higher tax free income on your annual payments and inform us of your tax-rate
 - The applicable Federal Rate (AFR) is provided monthly by the IRS. The annuitant gets to choose the applicable rate from the current or the immediate two previous months.
- 5) Choose who should receive the bi-annual payments

After you have completed these steps we will draw up what a Charitable Gift Annuity would look like for you. The printout can be helpful in discussing this option with your financial advisor.

Payment Amount and Payment Schedule

Swiss Village uses the Charitable Gift Annuity rates set by the American Council of Gift Annuities to determine the rate of interest paid. The amount of interest paid on the annuity changes with a person's age, if the annuity is for one or two lives, and if payments is delayed or taken immediately.

Swiss Village makes semi-annual payments on **June 1** and **December 1** of each year. Payments can be direct deposited into the account of your choice.