

## Sample Current Annuity Rates

Age	Rate
60-61	4.4
62-63	4.5
64	4.6
65	4.7
66-67	4.8
68	4.9
69	5.0
70	5.1
71	5.3
72	5.4
73	5.5
74	5.7
75	5.8
76	6.0
77	6.2
78	6.4
79	6.6
80	6.8
81	7.0
82	7.2
83	7.4
84	7.6
85	7.8
86	8.0
87	8.2
88	8.4
89	8.7
90+	9.0

As of April 2016

A gift annuity should be purchased only when an individual wishes to make a charitable gift while receiving fixed payments in return for life.

Since the gift is charitable, you may be entitled to gift and estate tax deductions. However, the rates may be lower than those that are generally available through commercial annuities offered by insurance companies and other institutions.

We recommend that you contact your legal and financial advisors before making a planned gift.



Turner Syndrome Foundation  
P.O. Box 726 Holmdel, NJ  
(800) 594-4585 - [www.TSFUSA.org](http://www.TSFUSA.org)

# Charitable Gift Annuities



Turner Syndrome  
Foundation

### *How does a Charitable Gift Annuity work?*

A Charitable Gift Annuity is both a gift and income agreement in which cash or securities are donated and held by TSF. In return for this irrevocable gift of \$5,000 or more, TSF agrees to pay a fixed annual income for the life of the individual and/or another person.

### *How is the amount of the annuity payment determined?*

The interest rate depends on the age of the recipient, on whether or not there are two beneficiaries, and whether payments are immediate or deferred.

### *What are the current rates for Charitable Gift Annuities?*

As of April 2016, rates range from 3.7 for a single individual under 50 to 9.0 for a single individual 90 and older. Younger people who don't need immediate income may consider a deferred annuity with a higher return.

### *Can a charitable annuity be created for more than one person?*

Yes. Annuities can be set up as a "two lives in succession" agreement whereby a second person receives the income after the death of the primary beneficiary or a "joint and survivor" agreement whereby two persons simultaneously receive the annuity payment check.

### *Are Charitable Gift Annuity payments taxable?*

A portion of the income is tax-free for a number of years, after which the whole payment is fully taxable.

### *Do I get a tax deduction for my charitable gift?*

Yes. You receive a charitable contribution deduction for a portion of the annuity amount in the year you make the gift. For cash gifts, the deduction is limited to 50 percent of adjusted gross income. For securities, it is limited to 30 percent of adjusted gross income. There is a five-year carry over for any excess deduction.

### *Can I make an immediate contribution for a Charitable Gift Annuity but defer receiving payments until a later date?*

Yes. Since payments are not taken immediately, the interest rates will also be higher. You may consider a deferred annuity if you want an immediate tax deduction but do not need the income immediately.

### *Can I fund a Charitable Gift Annuity with appreciated securities?*

Yes. This method helps to minimize and spread out long-term capital gains tax. Capital gains are due only on a portion of the annuity, and the reportable capital gain is spread out over a number of years.

### *Who might benefit from a Charitable Gift Annuity?*

Most gift annuity donors are retired, want to increase their cash flow, seek the security of guaranteed payments, and would like to save taxes. A charitable gift annuity may be beneficial to those in the following situations:

- The interest rates on their CDs and other fixed-income investments have been declined and they would like to improve cash flow.
- They own appreciated stock or mutual fund shares and have considered selling some of the shares and reinvesting the proceeds to generate more income but don't want to pay tax on the capital gain.
- They would like to receive fixed payments that are unaffected by interest rates and stock prices.
- They want to assure payments to a surviving spouse without the delay of probate proceedings.
- They would like to provide financial assistance to an elderly parent, sibling, or other person in a tax-advantaged manner.