

# Phoenix Art Museum

## CHARITABLE GIFT ANNUITY

### A Smart Gift

With a **Charitable Gift Annuity**, you can provide vital funding to sustain the mission of the Phoenix Art Museum, while provide yourself with an ongoing stable income.

Today's ultra-low interest rates make charitable gift annuities a very attractive gifting opportunity providing you and/or another beneficiary with stable income for life. Additionally, with a charitable gift annuity, you may also receive an immediate income tax deduction. It's a gift that benefits the both Museum and your future.

A charitable gift annuity is a simple arrangement. **How it works:**

1. You transfer cash, securities or other property to Phoenix Art Museum.
2. The Museum's annuity provider pays you, or up to two annuitants, a lifetime annuity.
3. The principal passes to Phoenix Art Museum after the lifetime of the income beneficiaries.

The next page shows the annuity rates currently in effect based on the donor's age.

There are tax benefits associated with establishing a charitable gift annuity, which include an upfront charitable deduction for a portion (typically 40%-50%) of the contribution. Your annuity payments are treated as part ordinary income and part tax-free income. If the gift is funded with appreciated property, your annuity payments are also treated as part capital gains income.

There are a variety of charitable gift annuities, including One Life Annuity and Two Life Annuity, where typically a couple can receive the income until both husband and wife have passed away. Deferred gift annuities are especially designed for younger donors. This gift makes fixed annual payments to you and/or another beneficiary for life, with payments commencing at a future date. The deferred gift annuity offers the same benefits of simplicity, security, and attractive income taxation that the regular gift annuity provides. It is also possible to fund a charitable gift annuity with appreciated investments such as stocks, mutual funds or even in some cases, real estate.

# Phoenix Art Museum

## CHARITABLE GIFT ANNUITY

### Single Life Suggested Maximum Rates

Effective 07/01/ 2018, Reaffirmed 03/30/2019

AGE	RATE	AGE	RATE
60-61	4.7	77	6.6
62	4.8	78	6.8
63	4.9	79	7.1
64	5.0	80	7.3
65	5.1	81	7.5
67	5.2	82	7.7
67-68	5.3	83	7.9
69	5.4	84	8.1
70	5.6	85	8.3
71	5.7	86	8.5
72	5.8	87	8.7
73	5.9	88	8.9
74	6.1	89	9.2
75	6.2	90+	9.5
76	6.4		

The figures above are sample rates for a single beneficiary and are for illustration purposes only. Source: Gift Annuity Rates table, effective July 1, 2018 and reconfirmed March 30, 2019, published by **American Council on Gift Annuities**.

Charitable Gift Annuity Payment for a \$10,000 Gift			
Age	Rate	Annuity	Tax Deduction
<b>60</b>	4.7%	\$470	\$2,240
<b>65</b>	5.1%	\$510	\$2,785
<b>70</b>	5.6%	\$560	\$3,402
<b>75</b>	6.2%	\$620	\$4,113
<b>80</b>	7.3%	\$730	\$4,585
<b>85</b>	8.3%	\$830	\$5,333
<b>88+</b>	8.9%	\$890	\$5,816+

The deduction is variable and based on the highest available monthly IRS Discount Rate. The charitable income tax deduction available to Donors contributing to a Trust in 2019 varies as a percentage of the contribution value based on the number of individual income beneficiaries designated and their ages (as of nearest birthday) on the date of contribution. **Potential Donors should consult their own tax advisors before contributing.**