

Gift Annuities:

A charitable gift annuity is a combination of a gift to St. Mary's Food Bank and an annuity. A donor transfers money or property to St. Mary's Food Bank and receives a guaranteed fixed income for life (or two lives). The combination of a partially tax-free income and the initial charitable deduction makes this a very attractive gift plan.

St. Mary's Food Bank follows the gift annuity rates established by the American Council on Gift Annuities (ACGA). A gift of \$10,000 or more is required to set up a charitable gift annuity with St. Mary's Food Bank for a person or persons 60 years of age or older. The older the income beneficiaries, the larger the expected charitable gift and thus, the larger the income tax deduction. You may also defer the starting date of a charitable gift annuity until retirement or some other future event, including the start of college for children or grandchildren. Deferred annuity payment rates are higher than rates for current annuities.

In the year of creating the charitable gift annuity, the donor receives an income tax charitable deduction, which can be carried forward for an additional five years. A portion of each income payment will be tax-free return or principal. There is a partial avoidance of capital gains taxes if the annuity is funded with appreciated stock. The donor is assured of receiving the same annual income from St. Mary's Food Bank no matter what happens to the stock market or interest rates. The gift annuity is especially attractive because it is not complicated and is not expensive to create or maintain.

Important: Please do not change your will, trusts or beneficiary designations without first consulting with a person who is knowledgeable about the relevant areas of estate planning and taxation. St. Mary's Food Bank does not provide legal or tax advice, but we do have trained staff who can work with you and your professional advisors to help you achieve your charitable objectives.

All communications are held in confidence.