

Charitable Gift Annuity – Immediate

A charitable gift annuity is a contract between you and the WHC Foundation in which you make a gift and, in return, you receive a lifetime stream of income payments.



Example

Jamie Cothorn is grateful for the care she and her family have received over the years at WHC. Giving back to the Foundation through financial support has been natural response of Jamie’s strong sense of pride and appreciation she feels for her local hospital. One of her favorite avenues of support has been through charitable gift annuities. “Gift annuities are the best of all worlds,” Jamie reflects. “They will provide WHC with future funds to support its mission, and they also give me some additional income. The extra money I receive, especially around Christmas time and tax season, is always a nice bonus that I welcome.” Jamie enjoys the attractive payment rates, the fixed annual income stream for life, no fees of any kind, the tax deduction, and the satisfaction of supporting WHC’s future. “It’s a win-win for both the organization and me.”

How It Works

1. You make a gift of cash or securities to WHC Foundation.
2. You receive a charitable deduction.
3. WHC Foundation pays you a fixed income for life. You may also name one other beneficiary to receive fixed income for life if you wish.
4. Each payment will be a fixed amount that will depend on your age(s).

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5. All or a portion of the remaining balance passes to WHC Foundation when the contract ends.
6. The minimum gift requirement is \$10,000.

Benefits to the Donor

1. Receive dependable, fixed income for life in return for your gift.
2. In many cases, charitable gift annuities provide higher yields than you currently receive from stocks or CDs.
3. Receive an immediate income tax deduction for a portion of your gift.
4. A portion of your annuity payment will be tax-free.

Leaving a Legacy

Gifts That Pay You Back



Gifts that provide you with lifetime income have many benefits: dependable income for you and your family, current and future tax savings, and a means to make a significant gift to the WHC Foundation. They can help you reach both personal and philanthropic goals, like planning for retirement, the education of your children and grandchildren, or the care of loved ones.



Lindy Ibeling
Foundation Director

(319) 483-1404
Foundation@WaverlyHealthCenter.org

WAVERLYHEALTH
— C E N T E R —
FOUNDATION

312 Ninth Street SW Waverly, Iowa 50677

Charitable Gift Annuity – Deferred

A deferred charitable gift annuity is like an immediate charitable gift annuity, but it begins making payments for the life of the beneficiary at a date you designate at least one year in the future. It can help build a retirement fund.



Example

A deferred charitable gift annuity can be the solution if you need tax relief now but want to defer the income for retirement, you want to support the WHC Foundation but fear you may need the cash flow in the future, or you want to provide for the future of your children—by helping to fund their college education for example.

How It Works

1. You transfer cash or securities to WHC Foundation.
2. You receive a charitable deduction.
3. Beginning on a specified date in the future determined by you, WHC Foundation begins to pay you, or up to two beneficiaries you name, fixed annuity payments for life.
4. The amount of each payment will depend on your age(s).
5. All or a portion of the remaining balance passes to the Foundation.
6. The minimum gift requirement is \$10,000.

Benefits to the Donor

1. Deferral of payments permits a higher annuity rate and generates a larger charitable deduction.
2. You can target your annuity payments to begin when you need them, such as retirement or when a grandchild needs help with tuition payments.
3. The longer you defer payments, the higher the rate of return you will receive.
4. A portion of your annuity payment will be tax free.

Charitable Remainder Unitrust

With a charitable remainder unitrust you transfer an irrevocable gift of cash or securities to a special trust that is invested to generate income for you and other beneficiaries you designate. Your income payment is a fixed percentage of the trust amount, valued at the beginning of each year.

Example

Peggy, 60, wants to make a gift to the Foundation but would also like more income in the future. She creates a charitable remainder unitrust with annual lifetime payments to her equal to 6 percent of the fair market value of the trust assets as revalued annually. She funds the trust with assets valued at \$250,000.

Peggy receives \$15,000 the first year from the trust. Subsequent payment amounts vary each year depending on the annual valuations of the trust assets. She is eligible for a federal income tax charitable deduction of \$81,305* in the year she creates and funds the trust. This deduction saves Peggy \$22,765 in her 28 percent tax bracket.

**Deductions is dependent on income received*

How It Works

1. You transfer cash, securities, or other appreciated property into a trust.
2. The trust will sell your assets tax free.
3. The trust pays you a percentage of the value of its principal, which is valued annually, to you or to beneficiaries you name.
4. When the trust terminates, all or a portion of the remainder passes to WHC Foundation to be used as you have directed.
5. The minimum gift requirement is \$100,000.

Benefits to the Donor

1. Receive income for life or a fixed number of years in return for your gift.
2. Receive an immediate income tax deduction for a portion of your gift.
3. Avoid capital gains tax on appreciated assets you donate.
4. You can make additional gifts to the trust as your circumstances allow for additional income and tax benefits.
5. Your trust can meet personal or family needs that are tied to a specific time frame, such as tuition payments.

Charitable Remainder Annuity Trust

With a charitable annuity trust you transfer an irrevocable gift of cash or securities to a special trust that is invested to generate income for you and other beneficiaries you designate.



Example

The charitable remainder annuity trust functions much like the charitable remainder unitrust. The exception is that the donor receives the same fixed annual payment each year over the life of the trust. Payment amounts do not vary each year, regardless of the annual valuations of the trust assets.

How It Works

1. You transfer cash, securities, or other appreciated property into a trust.
2. The trust will sell your assets tax free.
3. When the trust terminates, all or a portion of the remainder passes to the Foundation to be used as you have directed.
4. The minimum gift requirement is \$100,000.

Benefits to the Donor

1. Receive income for life or a fixed number of years in return for your gift.
2. Receive an immediate income tax deduction for a portion of your gift.
3. Avoid capital gains tax on appreciated assets you donate.
4. Your trust can meet personal or family needs that are tied to a specific time frame, such as tuition payments.

**This information is not intended as legal advice and we recommend you consult your legal or tax advisor to find a plan that best benefits you.*