

Create a Charitable Gift Annuity

- The Gift that Gives Back -

When should I consider a CGA?

Consider a CGA if some of these apply to you:

- You are age 60 or older.
- You wish to provide a legacy gift to the community
- You want the security of a fixed payout arrangement that runs for life.
- You have assets of \$10,000 or greater that you are able to gift to establish a CGA, such as cash, funds earning low interest rates, appreciated securities, or other property.
- You seek a charitable tax deduction.

What are the benefits of a CGA?

- + CGAs are easy to create - the agreement is a simple contract between you and the OCCF.
- + The annuitants (of your choice) receive fixed annuity payments for life.
- + Part of the annuity payments may be tax-free.
- + An immediate charitable tax deduction for a portion of the gift.
- + No capital gains tax is owed on appreciated property used to start a CGA.
- + The gift ultimately benefits charitable organizations or causes.



JANE FREEMAN GIVES \$100,000 AND RECEIVES ANNUITY PAYOUTS.

Jane Freeman, age 70, designates herself as the annuitant. Jane makes a cash gift of \$100,000 to the Owen County Community Foundation in exchange for a CGA. She will receive fixed annual payments of \$5,300 from OCCF for the rest of her life. Ms. Freeman is entitled to an immediate charitable deduction of approximately \$44,969.



JANE SAVES UP TO \$29,050 IN FEDERAL TAXES.

Assuming she is in the 35% federal income tax bracket, Ms. Freeman could save as much as \$19,886 in federal income taxes. Of the \$5,300 she receives each year, \$1,749 is taxed as ordinary income and \$3,551 is tax-free for the first 16 years.



JANE MAKES A DIFFERENCE LONG AFTER SHE IS GONE.

Ms. Freeman has requested that at the end of her life, the remaining balance of her CGA fund (projected to be 50% of the original contribution) will be used to establish a fund to benefit her favorite charity.

Donors can be assured that their gift is backed by the financial strength of the Owen County Community Foundation, established in 1994, with more than \$10 million in permanent assets.



Owen County Community Foundation

Forever good

For more information about creating a CGA

at the Owen County Community Foundation, contact Janet Rummel, President & CEO, at (812) 829-1725 or ceo@owencountycf.org.

owencountycf.org