

CHARITABLE GIFT ANNUITY

A PARTNERSHIP WITH AREA NONPROFITS



In 2013, The Community Foundation launched a Charitable Gift Annuity Program, the newest program to support the financial future of Herkimer and Oneida counties' nonprofits. This program is offered exclusively to area nonprofits seeking to partner with The Foundation as another option for growing future assets.



THE FOUNDATION

Charitable Gift Annuity for Nonprofits

WHAT IS A CHARITABLE GIFT ANNUITY?

A Charitable Gift Annuity is a giving opportunity allowing donors to support a favorite nonprofit while receiving a fixed payment for life and a charitable deduction. It's a chance for a donor to make a significant gift during his or her lifetime, especially when income could be a concern in the later years of life.

In exchange for the gift, The Foundation agrees to make a fixed payment for the life of one or two people called annuitants. The transaction is an issuance of an annuity and a charitable contribution, allowing an immediate income tax deduction for the charitable gift portion. The payments become an obligation of The Foundation. At the death of the last annuitant, the remainder of the gift will be added to an endowment fund at The Foundation or will create a new endowment fund for the nonprofit, as instructed by the donor.

A Charitable Gift Annuity is an opportunity that allows a donor to support your nonprofit while receiving a fixed payment for life and a charitable deduction.



THE FOUNDATION

Learn more about Charitable Gift Annuities

Call (315) 735-8212 or visit foundationhoc.org

YOUR QUESTIONS ANSWERED

How can charitable gift annuities help your nonprofit?

- Provides a new giving option for donors to support your organization.
- Attracts donors interested in meeting personal planning objectives while supporting your long-term future.
- Builds an endowment to carry on the mission of your organization.

How can charitable gift annuities help your donor?

- Opportunity to make a major gift during one's lifetime to support your organization.
- A fixed payment from The Community Foundation for life to meet personal needs.
- Donor receives a charitable deduction for the gift, plus additional tax benefits, such as reduced capital gains if the gift is made with appreciated securities.

What does The Community Foundation provide?

- Staff support and assistance with donors.
- Marketing materials for you.
- Donor proposals and agreements.
- Assumption of mortality and investment risks.
- Annuity payments.
- Filing of tax forms.
- Regulatory compliance.
- Evaluation of reinsurance.
- CGA annuity established, tracked and maintained.
- Investment of funds.

How are the payments calculated? Payments made to the annuitants are based on rates determined by the American Council on Gift Annuities. These rates have been calculated to provide attractive payments to donors and to result in a significant portion of the contribution remaining for your nonprofit.

What is the minimum age required to fund a CGA? There is no minimum age to create a gift annuity, but payments cannot start until age 60.

Are there fees associated with a CGA at The Community Foundation? Yes, The Foundation charges a 1 percent fee to each annuity in order to cover the costs of the CGA program.

What happens when the CGA matures? At the death of the last payment beneficiary, 100 percent of the CGA residuum will be added to a previously-established endowment for your general support at The Foundation. If such a fund does not yet exist, the residuum will create your endowed fund if it meets the then-current fund minimum. If it does not, you may contribute additional funds to provide the balance required. If no fund exists and none is created, the residuum will be added to The Foundation's general endowment fund.