

I'd like to make a gift, but how do I do it when I have personal financial obligations to meet?

A. By choosing a life income gift, you may be surprised to learn that you can both make a charitable gift and meet those other personal financial obligations such as:

- **Educational expenses:** A life income gift that provides an income stream could provide money for your children or for your grandchildren's education, now or in the future. Making a life income gift now also can provide tax savings.
- **Supplement retirement funds:** An income gift could supplement other retirement plan income and also create a charitable gift when you or a survivor no longer need the income.
- **Pre-retirement planning:** A deferred income gift permits you to postpone income payments until your retirement. It could result in your income actually being greater at the time when you need it most. You still will receive immediate tax benefits from this charitable gift.
- **Take care of loved ones:** Do you want to provide financial support for a child, spouse or other relative or friend? With a well planned charitable gift, an income stream can be created to provide for a special needs child, parent or other relative or friend.

We will be happy to help you explore ways you can give in this manner and provide additional information to your advisors as well, with no obligation.



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Emmanuel Community is a member of the Ecumen family of senior housing and services



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taking any action based on this information.*



Giving for Income



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“It is better to give than to receive”...but why not do both?

Many of us would like to make a meaningful charitable gift, yet are concerned about maintaining our own financial security in an unknown future.

But there are ways to support your charitable interests and also provide a stable source of income for yourself or other loved ones. With a life income gift, for example, you can make a charitable gift and improve your current income.

Q. What is an income gift?

A. With a life-income gift, you make an irrevocable gift of cash, securities or real estate to Emmanuel Community. We then pay you income in return. After your lifetime and/or the lifetime(s) of other designated beneficiaries, we'll use the remaining balance to support our mission.

Q. Must I have cash to fund an income gift?

A. No, a variety of assets—cash, stocks, bonds, mutual funds, and, on occasion, real estate, may be used to fund an income gift.

Q. What are the benefits of a life income gift?

A. There are many benefits:

- **Receive Regular Income** – Receive regular income payments for life (or term of years).
- **Immediate Tax Savings** – Receive an income tax charitable deduction in the year you make the gift.
- **Save on Estate Taxes** - Reduce or possibly eliminate federal estate taxes.
- **Leave a Legacy** – Your gift will ensure our senior care programs will be funded for future generations.
- **Save on Capital Gain Taxes** – Avoid or reduce your capital gain taxes if you fund your gift with an appreciated asset (such as securities or real estate).

Q. How much would my payments be?

A. Depending on your age, the type of gift plan and other factors, payment rates usually range from 5% to 11% of the original gift amount. Ask us to provide you with an illustration tailored to your own situation and needs. There is no obligation or cost involved.

Q. How long will I receive payments?

A. Payments will continue for your lifetime and/or the lifetime of whomever else you name. Or, with certain types of income gifts, you may specify that the payments continue for a period of time that you determine, up to 20 years. Any funds remaining at the end of the agreement return to the use of the charity.

Q. What are the tax benefits of such gifts?

A. In addition to a generous tax deduction the year you make the gift, capital gains taxes may be minimized, delayed or completely avoided, depending on the type of gift you choose to make and the type of asset you choose to make the gift with.

Q. Are there particular benefits to using certain assets for such a gift?

A. An excellent choice might be securities that have increased in value while you have owned them. Your income tax deduction would be calculated using the full fair market value of the stock or bonds at the time you make the gift. By giving the stock directly to charity, you avoid paying the capital gains taxes that would be due if you sold the appreciated securities.

This is just one example of types of assets you might consider. You may wish to discuss with your advisor other advantageous ways to make a charitable gift.

In short, life income gifts can result in extra income to you or another person of your choice, generate current and future tax savings, and help you make a charitable gift that might not otherwise be possible.