

What are the Benefits of a Gift Annuity?

- Joy: Arrange to benefit the area of the Lord's work that is closest to your heart.
- Fixed payments for life. Your gift comes with the assurance of steady, lifelong payments.
- Tax savings. You qualify for an immediate income tax charitable deduction, and in most instances, a portion of your gift annuity payment will be a tax-free return of original principal. If you transfer appreciated assets for a gift annuity, you defer tax on a portion of the capital gain. The balance of the gain is spread over your expected lifetime. If you defer annuity payments until a future date, you also delay reporting of the capital gain.
- Lasting legacy. After the passing of the annuitant(s), the balance will be used to continue the Lord's work in your congregation, mission, or ministry of choice.
- **ALL NEW:** ELS CGA's issued will be managed by the WELS Foundation. Minimum amount is \$10,000.

This information is not intended as legal advice. For legal and tax advice we encourage you to consult an attorney or tax professional.

For applications or more information please contact your
ELS Giving Counselor

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Doing the will of God from your heart. Eph. 6:6

Charitable Gift Annuities

*Sustaining Gospel ministry
beyond our lifetimes!*

New higher rates started January 1, 2023



*Estate Planning Office
Helping ELS members and churches to...
Tell of Jesus and His Love!*

A service of the
Evangelical Lutheran Synod Foundation



What is a Gift Annuity?

A gift annuity is a contract between you and the Wisconsin Synod Foundation in cooperation with the Evangelical Lutheran Synod Foundation, Inc. CGA's with BLC and Bethany Seminary continue with Wells Fargo. You may make a gift of cash or securities (stocks, bonds, mutual funds) in exchange for fixed payments for life. After the passing of the annuitant(s), the remainder of the gift will be used by your church, missions, school, or other ministry of choice to further the work of the Gospel. Your gift will go to help carry on the legacy of sound teaching in the ELS.

What are the special features of this gifting tool?

- **Flexibility:** You can begin annuity payments right away or sometime in the future when you will need additional income. While there is a minimum gift size of \$10,000, there is no maximum limit. You can fund a gift annuity for yourself, a loved one, a friend or even an employee.
- **Secure:** Your annuity payments are backed by all the assets of the WELS Foundation Annuity Pool.
- **Permanent:** Your annuity payment is a fixed amount, dependable and unchangeable.
- **Minimum ages:** Immediate payment annuities are available for those age 60 or older; deferred payment annuities are available to those aged 55 and older.
- **Irrevocable:** Once established, a gift annuity cannot be changed or cancelled.
- **Beneficiaries of your gift can be flexible** through a Letter of Instruction agreed upon by donor and Foundation.

Examples of How a Gift Annuity Works:

1. **Immediate Payment:** Ole gives \$10,000 for a charitable gift annuity. At age 75, he will receive 6.6% or \$660 per year for the rest of his life. He will also receive a federal, and possibly a state, income tax deduction of approximately \$4,835.83 in the year of the gift and will receive about 63.1% (\$416.46) of the \$660 as tax-free income.
2. **Deferred Payment:** Lena is 60 years old and would like to make a significant gift, but is concerned about her retirement years. She decides to give a \$25,000 gift for a deferred gift annuity with payments to start at age 70. At the time of her gift Lena could receive a federal, and possibly a state, income tax charitable deduction of approximately \$12,987, if she qualifies. At age 70, her annual payments of \$2,250 (9%) will begin and continue for the rest of her life. A portion of the annuity payments (\$751.50) will be considered tax-free return of principal.

Note: Two-life charitable gift annuities are also available.

Also, Flexible CGAs allow you to start income when you need it.

Examples of Gift Annuity Rates

(New rates for January 1, 2023 - Subject to Change)

One-Life & Two-Life Agreement Rates

Age	One-Life	Two-Life	*Deferred 10 yrs - One life
60	4.9%	4.4%	9% (Age 55:8.2%)
65	5.4%	4.7%	10.1%
70	5.9%	5.2%	11.6 %
75	6.6%	5.8%	13.3%
80	7.6%	6.5%	14.8%
85	8.7%	7.7%	14.8% Max for older
90+	9.7%	9.4%	* Single-life deferred * Ask about Flexible Gift Annuities.