

## July/August 2006 Link Article

### A GIFT THAT CONTINUES TO GIVE . . .

That is just what a Charitable Gift Annuity does for you and for the ministries of our church.

You make a gift of cash or securities and that gift provides you with a guaranteed annual payment for the rest of your life. But your gift continues to give even after death. When you make your gift, you also name the ministry (for example, Christ's Lutheran Church) that will receive the remaining portion of your annuity at the end of your life.

You have been a good steward throughout your life; should you not also be a steward at the end of life? This is an opportunity to participate in the future of your church's ministry.

#### HOW DOES A GIFT ANNUITY WORK?

Mrs. Jones is 75 years old. She needs to increase her income, and at the same time wants to support a specific ministry of the church. Mrs. Jones owns some stock she bought in 1979 for \$4,500. Today the stock is worth \$9,000 but she only receives a dividend of 2%, or \$180, a year.

Mrs. Jones decides to give her stock in exchange for a Charitable Gift Annuity.\*

Mrs. Jones receives a guaranteed annuity payment for life in the amount of \$639 each year (assuming an annuity rate of 7.1%). Of that, \$216 is tax free. She also gets a charitable income tax deduction of \$3,820 on her gift. She now has an annuity payment that provides \$459 more than her previous income.

\* The example above and the chart below are for illustrative purposes only. Charitable Gift Annuities can be obtained from numerous organizations and foundations, including the ELCA Foundation.

#### ONE-LIFE ANNUITY RATES\*

The rates presented below are the current rates for one individual's life, based upon his or her age, and are subject to change. Age Rate Age Rate Age Rate

55	5.5%	74	6.9%	84	9.2%
60	5.7%	76	7.2%	86	9.9%
65	6.0%	78	7.6%	88	10.6%
68	6.3%	80	8.0%	90	11.3%
72	6.7%	82	8.5%		

Current policy requires income beneficiaries to be 35 years or older and a minimum gift amount of \$1,000.

#### WITH A CHARITABLE GIFT ANNUITY . . .

You not only enjoy the bestowing of a gift, but also receive significant financial and tax advantages. The ultimate satisfaction comes in knowing you are making an important contribution to help fulfill the ministries of Christ for decades to come.

If you have any questions, please feel free to contact any member of the Endowment Task Force, or a financial advisor or attorney. Dave Asher Beverly Collier Chris Johnson

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#### Endowment

&ldquo;Before you go to your heavenly home, help your church home also live forever.&rdquo;

Honoring the past and the future

100 years

1903 ~ 2003