

# CREATING INCOME TODAY

## Supporting The Arc, Oneida-Lewis Chapter



## Charitable Gift Annuity

### PROVIDING LIFETIME INCOME

Many charitably-minded individuals may want to support The Arc Oneida-Lewis Chapter but are often concerned about having enough income in retirement. Some may also worry about elderly parents or a loved one who may need their support. Fortunately, it is possible to make a gift that actually increases current or future income AND benefits our mission. A charitable gift annuity is a simple way to generate income and support our long-term priorities.

### GETTING STARTED

Make a gift of \$10,000 or more and receive a significant income tax charitable deduction in the current year. In exchange, The Community Foundation provides annuity payments back to one or two people (most often to you or to you and your spouse) for life. A portion of each payment received by you is tax-free. When the annuity matures, the remaining principal is used to benefit The Arc Oneida-Lewis Chapter.

### WHEN TO CONSIDER A GIFT ANNUITY

*I retired some time ago and invested in bonds that are now maturing. New bonds and CDs are paying at such low rates I will see a substantial decline in income. Is there a way I can give you these funds and increase my income?* The charitable gift annuity is a simple way to supplement your retirement savings with secure income for life. You will receive a fixed amount that never changes, regardless of market conditions, so you'll never have to reinvest again.

*I haven't retired yet but want to save more for my future retirement – could this work for me?* The flexibility of a gift annuity allows you to make a gift now and defer the start of payments until you need them. Best of all, the longer you wait to start the payments, the higher your payout rate will be.

*What if I need income for some other purpose, such as supporting my elderly mother or grandmother?* It is possible to set up a charitable gift annuity to benefit someone other than yourself, which may relieve you of the burden of providing financial support. We send the check directly to your loved one according to your wishes.



**THE FOUNDATION**



*Friends of*  
The **Arc**

**FOUNDATION**

Learn more about  
**Charitable Gift Annuities**

**Call (315) 272-1532**

Due to the tax implications of making a charitable gift, we encourage you to consult your own advisors prior to transferring assets to The Community Foundation. The material presented herein is not offered as legal or tax advice. Gift annuity rates vary depending upon life expectancies of the beneficiaries of the annuity.

©2016 The Community Foundation of Herkimer & Oneida Counties, Inc.

## ANSWERS TO SPECIFIC QUESTIONS

**What will the payout be on my annuity?** The Community Foundation uses the maximum payout rates suggested by the American Council on Gift Annuities. For people 60 and older, the rates range from 4.4 to 9 percent for an individual and 3.9 to 8.8 percent for couples. With a deferred gift annuity, the payouts are even higher, depending on when you fund the gift annuity and begin the payments. Call us for an illustration specific to your situation.

**How can I be sure that The Community Foundation will make the payments?** The Community Foundation invests 100 percent of your gift in a segregated gift annuity reserve account and makes your payments from this account. If the funds from your gift are ever depleted, the payments are still guaranteed for life and backed by The Community Foundation's assets.

**How will my gift to The Arc Oneida-Lewis Chapter be used?** Most people who set up gift annuities allow The Arc to put the remainder to use where the need is greatest, providing maximum flexibility to invest in the future needs of The Arc. When the gift annuity matures, 100 percent of what is left is added to our endowed fund for The Arc Oneida-Lewis Chapter at The Community Foundation. Your charitable gift annuity will help to support our long-term priorities. If such a fund does not yet exist, the residual will create an endowed fund if it meets the then-current fund minimum. If it does not, The Arc Oneida-Lewis Chapter may contribute additional funds to provide the balance required. If no fund exists and none is created, the residuum will be added to The Community Foundation's general endowment fund.