

Deferred Gift Annuity

Several years ago Stephen and Michelle invested \$100,000 in what they believed to be an attractive stock. It turned out to be a very wise decision, because the value of the stock increased to \$250,000 a few years later. Though they were not in need of additional income at the time, the couple decided to cash in on this growth and began considering selling the stock.

Michelle: We had had a good year and were looking for ways to maximize deductions and reduce what we owed in taxes. At the same time, we had been exploring the best way to make a gift to our church.

Stephen: Michelle and I were both age 50 at the time, in good health and still working. And though we didn't really need extra current income, we were planning to retire at age 65 so we were always interested in smart retirement planning. Our goal was to be able to live comfortably and travel in our motor-home to visit friends and family.

Michelle: I remember when we met with a gift advisor from our church. He explained the benefits of setting up a deferred gift annuity. Instead of selling, we could give our stock to our favorite charity and receive an immediate charitable tax deduction. Plus, when we turn 65, the deferred gift annuity would make annual retirement income payments to us for our lifetime.

Stephen: We decided to set up the deferred gift annuity. And we experienced first hand each of the benefits Michelle mentioned: we received a charitable tax deduction and tax savings immediately. And now that we're retired, we receive income each year that helps make our retirement travel possible. On top of all of this, the deferred gift annuity makes a portion of the income payments we receive tax-free.

For more information on Planned Giving Strategies, please, feel free to ask your Pastor.

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These donor stories are for illustrative purposes. Each story is based on an actual gift case or a combination of cases. The names are not representative of the actual donors who were involved in either the cases or the combination of cases. Source: AGFinancial.