

Flexible Deferred Gift Annuity

Mark is a 54-year-old executive at a large healthcare company. He purchased company stock during years when the stock price was low, and now the stock has grown substantially to \$418,000.

Mark and his wife, Judy, sold a vacation home earlier this year and are looking for a way to offset the capital gain tax owed on the sale. Mark enjoys the challenge and responsibility of his job and is not quite ready to retire, but is looking at planning options that will provide income in the future with the flexibility to retire when he is ready.

Judy: We needed a charitable deduction to avoid paying the taxes we owed from the sale of our second home. While Mark invested his energies at work, I spent years volunteering at our church and wanted to find a way to make a special gift to help further its work this year.

Mark: Judy and I were both in good health and I still enjoyed working. We were living comfortably on my current salary, but were looking for ways to plan for retirement in the future. I wasn't quite certain when I would retire, so we wanted to find an income source that would permit me to be flexible with my retirement date.

Judy: A gift advisor from our church told us that a flexible deferred gift annuity would help us meet our goals. Instead of selling our appreciated stock and paying high capital gain tax, we could give it to them and receive an immediate charitable tax deduction to offset our current tax bill. The flexible deferred gift annuity would permit us to elect to begin taking payments for life when Mark was ready to retire.

Mark: We decided to set up the flexible deferred gift annuity and were able to achieve all of our goals. We received a charitable tax deduction in the year that the gift was made and experienced immediate tax savings. When I am ready to retire, we will contact our church to begin payments, giving me the flexibility to continue working as long as I would like. In addition, the flexible deferred gift annuity makes it possible for us to receive a large portion of our income tax-free, and this is an attractive benefit!

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

Disclaimer

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.