

## Planned Giving and Charitable Gift Annuities

Examples of the current annuity rates (as determined by the American Council on Gift Annuities) and tax benefits for a single person aged 75, 80, 85, or 88 assuming a \$5,000 gift:\*

Age	Annuity Rate	Charitable Deduction	Annuity To Donor	Taxable Portion
75	5.8%	\$2,325.15	\$290.00	\$215.76
80	6.8%	\$2,537.65	\$340.00	\$261.80
85	7.8%	\$2,849.00	\$390.00	\$316.29
88	8.4%	\$3,058.80	\$420.00	\$346.50

It should be noted that the American Council on Gift Annuities (ACGA), our source for annuity rates, periodically changes the rates based on market conditions and interest rates.

Charitable gift annuities may also be developed for couples and different annuity rates may apply.

\*As of March, 2017



1382 Newtown-Langhorne Road  
Newtown, PA 18940-2418

*Mission: Pennswood Village, a caring community guided by Quaker principles and traditions, leading the way in the provision of residential and healthcare services to those age 65 and older.*

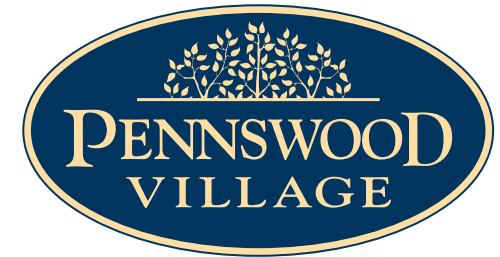
*For questions about charitable giving, please contact:*

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Director of Development  
Phone: 267-759-1068 or  
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*Photo by Warren Witte*

Pennswood Village is recognized under 501(c)(3) of the Internal Revenue Code and contributions to it are recognized for charitable deductions. For tax purposes, please note that Pennswood Village provides no goods or services in consideration of this contribution. The official registration and financial information of Pennswood Village may be obtained from the Pennsylvania Department of State by calling, toll free, within Pennsylvania, 1-800-732-0999. Registration does not imply endorsement.

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## Charitable Gift Annuities



*Securing our  
Future Together*



# *Pennswood Village Charitable Gift Annuities (CGA)*

## *How it Works*

- You, the donor, make an irrevocable transfer of cash or securities to Pennswood Village (minimum gift amount is \$5,000).
- Pennswood Village pays you or another named beneficiary fixed income for life.

## *Donor Benefits*

- Collect timely, fixed payments for the rest of your life.
- Receive a tax deduction.
- Support the mission of Pennswood Village.

## *Benefit to Pennswood Village*

The remaining balance of the annuity passes to Pennswood Village when the contract ends at the death of the beneficiary. Typically, a charitable organization receives about half of the annuity.

## *Tax Benefits for Donor*

Pennswood Village is recognized by the Internal Revenue Service as a charitable organization under code 501(c) 3. As such, contributions may be taken as charitable deductions on your personal income tax return. With a CGA, a portion of your gift may be taken as a deduction in the year you make the gift.

During the remainder of your life expectancy, a portion of the annuity payment you receive is not subject to income tax. The exact tax treatment depends on whether the gift was made in the form of cash or appreciated securities.

## *Benefit of Donating Appreciated Securities*

There is a further tax benefit of donating appreciated securities. You won't owe capital gains tax when you make the transfer to Pennswood Village.

In addition, only some of your capital gain will be taxed and the tax will be spread out over your annuity payments during your life expectancy.

## *Annuity Rates*

Pennswood Village uses annuity rates published by the American Council on Gift Annuities. This organization sets rates based on the current interest rate climate.

The rate you receive is based on your current age and the current age of your spouse if you are considering a joint annuity.

The rate will not change once a contract is signed. (Please see chart showing rates for ages 75, 80, 85, and 88 on the back of this brochure.)

## *How Money is Invested*

Gifts for CGAs are invested in a pooled asset fund currently managed by investment firms approved by the Pennswood Village Board of Directors.

## *Payments*

Payments are a general obligation of Pennswood Village. The annuity is backed by the organization's invested assets.

