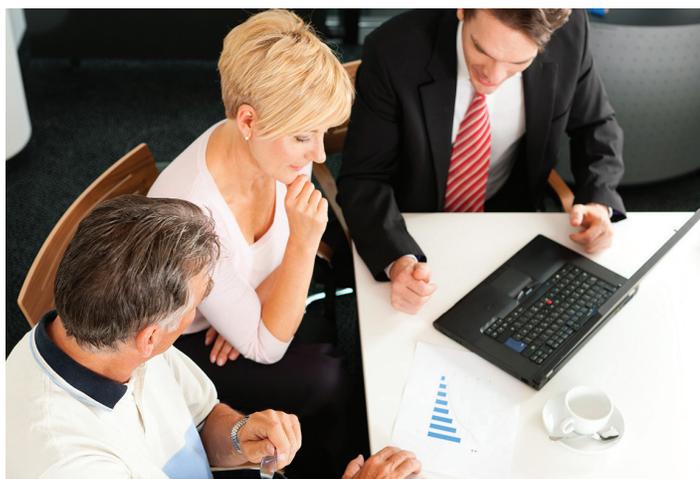


THE CHARITABLE GIFT ANNUITY

A Gift That Benefits Everyone



- *Do you have an interest in supporting the well-being of older adults?*
- *Could you use more income now that you've retired?*
- *Are you concerned about the uncertainties of the stock market?*
- *Do you want to reduce capital gains liability and secure an income tax deduction?*
- *Does a friend or relative need the security of an annuity to help meet unexpected expenses?*



You can address these goals and others by making a gift to Presbyterian Communities of South Carolina using a Charitable Gift Annuity, or CGA. A CGA is a partnership between you and a charitable organization that delivers significant support to PCSC while at the same time helping you reach your own financial and estate planning goals.

HOW A GIFT ANNUITY WORKS

In return for your contribution, you receive a promise to pay you a fixed annuity for life. You can add a spouse or other loved one as co-beneficiary. Or you can name someone else to receive the full annuity.

You'll receive a charitable deduction, you'll pay no upfront capital gains tax if you use appreciated securities to make your gift, and only part of each annuity payment will be taxed as ordinary income over your life expectancy. When the annuity terminates, the remaining balance comes to PCSC for the purpose you designated when you made your gift.

Continued...

WHAT A CGA CAN DO FOR YOU

Fixed Payments

You know upfront the amount of the payments you will receive in return for your gift. For example, if your annuity rate is 6 percent of a \$20,000 gift, you will receive \$1,200 every year for the rest of your life.

Tax Deduction

You will receive a charitable income tax deduction when you create a gift annuity, based on the fair market value of the assets you contributed minus the present value of the life-income interest you retain.

Using Appreciated Securities

You'll enjoy additional benefits if you use appreciated securities to fund your gift annuity:

- Your annuity will be based on the value of the assets contributed on the day you make your gift. If you're holding securities you're afraid may drop in price, using them to fund a gift annuity will lock in their current value as the basis for your payments.
- No upfront capital gains tax is payable, and you'll avoid capital gains tax entirely on the charitable portion of your gift.

A Portion of Your Payment is Tax-Free

Part of each annuity payment will come to you as the tax-free return of principal. In addition,

if you fund your annuity with appreciated securities, a further portion of the payment will be taxed at the capital gains rate, which is usually lower than the tax on ordinary income. The remainder will be taxed as ordinary income (these benefits are in effect during your life expectancy – if you live longer, the entire annuity payment will be taxed to you as ordinary income).

Accessible

A charitable gift annuity may be funded with a gift of \$5,000 or more. Gift annuities bring the benefits of a life-income gift into reach for many donors.

As always, talk to your legal, financial or tax advisor for advice specific to your circumstances.

THE NEXT STEP

Ready to learn more about a Charitable Gift Annuity?
We'll be happy to demonstrate how it can benefit you.

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*A compassionate Christian ministry
dedicated to enriching the quality
of life for seniors of all faiths*



*A 501(c)(3) non-profit that receives and manages
charitable gifts given to support the mission and ministry
of Presbyterian Communities of South Carolina*