



CHARITABLE GIFT ANNUITY

A Gift that Pays You Income

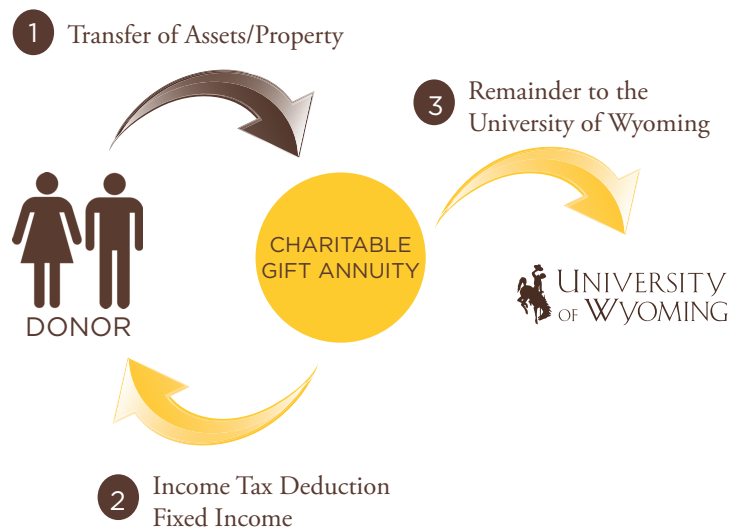
WHAT IS A CHARITABLE GIFT ANNUITY?

A Charitable Gift Annuity (CGA) is a combination of a charitable gift and an annuity that provides an income stream for life. Or said another way, a gift that pays you back. A CGA allows you to make a meaningful gift to benefit the college or program of your choice at the University of Wyoming and benefits you in the following ways:

- Guaranteed fixed income for life
- Tax savings – immediate charitable deduction at the time of gift and annual savings in the future
Favorable treatment of capital gains when CGA is funded with appreciated assets.
- Making a positive impact at UW – potentially into perpetuity

HOW DOES A CGA WORK?

A CGA is a gift arrangement wherein a donor makes a gift (cash, securities, IRAs, etc) to the UW Foundation in exchange for a guaranteed fixed income stream for life for up to two individuals – a spouse, parent, etc. To receive income, a beneficiary must be 60 or older.



HOW MUCH IS THE ANNUAL PAYOUT?

Payout rates are set according to a donor's age at the time the annuity is created and whether the annuity is for one lifetime or two. Here are the current available rates:

<i>Single-Life Gift Annuity Rates</i>		<i>Two-Life Gift Annuity Rates</i>	
Age	Rate*	Age	Rate*
60	5.2%	60	4.8%
65	5.7%	65	5.1%
70	6.3%	70	5.6%
75	7.0%	75	6.3%
80	8.1%	80	7.0%
85	9.1%	85	8.2%
90+	10.1%	90	9.9%

WHAT ARE THE TAX BENEFITS?

A charitable deduction is available in the year that a person creates a CGA. The deduction is calculated based on a donor's age at the time of the gift and considers the income stream that will be paid out over the donor's lifetime. Any amount of the charitable deduction not usable in the year the gift is made, can be carried over for the next five tax years. Additionally, a portion of each annuity payment is tax-free income as a return of the initial investment.

If a CGA is funded by a QCD from your IRA, rather than receive a charitable deduction, you are not taxed at the time of your gift on the funds you transfer from your IRA.

WHAT KIND OF ASSETS CAN I USE?

Donors can use a variety of assets including cash, appreciated securities, or an IRA* to create a CGA. Only a portion of the capital gains associated with appreciated assets are recognized by the donor proportionally over a period of years.

** If you're over the age of 70 1/2, you can elect to fund a gift annuity by making a QCD from your IRA of up to \$54,000. Further, this counts as your required minimum distribution (RMD), if applicable.*

Contact us for a personalized CGA projection or to learn more.

Please note that the information in this flyer is not intended as investment, tax, or legal advice. Please contact your trusted tax, financial, or legal advisor for such advice before making a gift.



Brett Befus

Associate Vice President for Development
UW Foundation
222 S. 22nd Street
Laramie, WY 82070
bbefus@uwyo.edu
(307) 766-4259