

Charitable Gift Plus Annuity

A reinsured charitable annuity is an agreement in which you make an irrevocable gift to Saint Mary's authorizing the University to purchase a commercial prescribed annuity with you or your spouse as the beneficiary of the annuity. You will receive a donation receipt for the difference between the amount contributed and the cost of annuity plus a regular fixed income for your lifetime or the lifetime of your spouse. This plan allows you to give a significant gift without losing the benefit of revenue your capital earns. In fact, when the tax advantages are considered, many donors find their net return is higher through a gift annuity.

Benefits of Annuities

- Annuities are high quality, guaranteed investments that provide regular payments.
- It allows you to make a significant gift to Saint Mary's University while at the same time guarantying yourself a predetermined income for a specified number of years, or for the rest of your life.
- It is an option for seniors who may be concerned about draining the capital that produces their income.
- Annuity income is determined by a formula that takes age and life expectancy into consideration. The older you are the higher your payment, therefore gift annuities are most beneficial for supporters over 70 years of age.
- Each income payment is a blend of capital and interest - the capital portion of your payment is non-taxable. The blend is structured so you pay very little tax.
- Any payments remaining after your death can be left to the Saint Mary's University by naming the University as beneficiary on the annuity.

An independent financial or legal advisor will help you determine the proper size of annuity in order to satisfy your income needs as well as your philanthropic goals. They will also review with you the details of your annuity and carry through with the necessary paperwork. Saint Mary's University can assist in guiding you through the process, answer any questions you have, and help tailor the right gift for you.

Note: a gift annuity is an irrevocable gift of capital so it is best to consult a financial or legal advisor first

Benefits of giving through life insurance

- Many people have fully paid life insurance policies that they no longer require. You can take an existing policy that has finished serving its original purpose and simply have the beneficiary designation changed to Saint Mary's University. You can change the beneficiary designation at any time.
- It is a cost-effective way to make a significant gift for the future.
- You can make a large future gift through small annual premium payments over several years and you receive annual tax deductions.

Life insurance is a versatile gift planning method. Our gift planning staff is happy to assist you in planning your gift through life insurance and can discuss with you the many available options. A life insurance representative of your choosing will custom design the plan that best fits your personal and philanthropic goals, review that plan with you in detail, and carry through with the necessary paperwork.

Example 1: \$50,000 of permanent Life Insurance Male, non-smoker

Age	Annual Premium	45% Tax Bracket	Net Cost
30	\$434.50	\$195.53	\$238.98
40	\$628.00	\$282.60	\$345.40
50	\$1,023.50	\$460.58	\$562.93
60	\$1,704.50	\$767.03	\$937.48
70	\$2667.50	\$1,200.38	\$1,467.13
80	\$4,188.50	\$1,884.83	\$2,303.68

Example 2: 20 Year Limited Pay Life 25-year-old male, non-smoker

Coverage	Annual Premium	45% Tax Bracket	Net Cost
\$25,000	\$332.00	\$149.40	\$182.60
\$50,000	\$491.00	\$220.95	\$271.05