

The Charitable Gift Annuity

A Lifetime of Income and Tax Savings for You — A Future of Opportunity for HSU Students, Faculty and Programs

What is a Charitable Gift Annuity?

A charitable gift annuity is a sound solution for generating a stable income for you and/or a loved one while enabling you to make a significant contribution to the future educational, research and public service programs of Humboldt State University.

A gift annuity is a simple contract between you and our charitable annuity program— in return for a contribution, we agree to provide you with a secure, lifetime income. When the annuity ends, the remaining funds will be used to assist HSU and its students.

Economics Professor Beth Wilson works with a student in her ECON 210 class.



Benefits include:

- ▶ **Substantial Income for Life**—We offer attractive income rates based on age, with rates of up to 9% for individuals and 8.8% for couples. In today's low-interest-rate environment, a gift annuity can generate more income than traditional income-producing investments such as Certificates of Deposit (CDs) or Treasuries. Plus, the income from a gift annuity is fixed, stable and dependable.
- ▶ **Income Tax Savings**—Because part of each annuity is a gift for the ultimate benefit of HSU students, faculty, and innovative programs, donors receive an income tax deduction in the year they establish a gift annuity—returning your taxes to you.
- ▶ **Tax-Free Income**—A large part of each gift annuity payment is usually tax-free, making the income from a gift annuity go that much farther for you and loved ones.

- ▶ **Capital Gains Tax Savings**—If appreciated stocks, bonds or other securities are used to establish a gift annuity, significant capital gains tax savings can be achieved.
- ▶ **Estate Tax Savings**—For those with potential estate tax liability, establishing a gift annuity may reduce that liability by removing assets from your taxable estate.
- ▶ **Good Feelings that Come with Giving**—When you establish a charitable gift annuity, you benefit from the good feelings that come with knowing that you are making a difference in the lives of real people—namely, HSU students. State funding doesn't meet all of the costs associated with helping bright students and cutting-edge faculty change our world for the better—you are an important partner in our educational mission!

Sample Results: Benefits of a \$25,000 Single-Life Gift Annuity*

Age	Payout Rate	Annual Income Payment	Tax-Free Income Amount	Charitable Deduction	**Effective Rate of Return
60	4.4%	\$1,100	\$770	\$6,456	5.8%
65	4.7%	\$1,175	\$851	\$8,078	6.3%
70	5.1%	\$1,275	\$959	\$9,752	7.1%
75	5.8%	\$1,450	\$1,124	\$11,066	8.2%
80	6.8%	\$1,700	\$1,355	\$12,270	9.8%
85	7.8%	\$1,950	\$1,624	\$13,956	11.6%
90+	9.0%	\$2,250	\$1,917	\$15,607	13.7%

*Minimum gift is \$5,000. Contact us for two-life or couples' gift annuity rates, and for an illustration specifically tailored to your circumstances and goals.

**Effective rate of return includes the benefits of income tax savings from the charitable deduction and the income-tax-free part of the income payments and assumes a 25% tax bracket. Deductions vary according to the interest rate environment.

Note: This information is not provided as legal advice—seek counsel from your attorney and financial advisor.

Contact us for more information and to receive a no-obligation gift annuity illustration tailored to your needs:

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visit us online:

humboldt.edu/giftplanning

Tax-wise planning to meet your financial, estate and charitable goals.

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