

The Charitable Retirement Account

Build More Retirement Income for You — Help Future Generations at HSU

What is a Charitable Retirement Account?

A Charitable Retirement Account is a special type of charitable annuity allowing you to set aside funds now and enjoy a generous, guaranteed income in the future. The idea is simple: you make a gift today to Humboldt State University's charitable gift annuity program, which professionally invests the funds. Then at some point in the future, such as your date of retirement, you begin receiving a secure lifetime income. When the charitable annuity ends, the remaining funds are available to assist HSU students, faculty and programs.

Charitable Retirement Accounts, also called deferred gift annuities, are a sound solution for building a stable retirement 'nest egg.' They provide both current and future tax advantages, while enabling you to make a meaningful contribution to HSU's future.

Professor Sean Craig with students during a research field trip to Fort Bragg, CA



Benefits include:

- ▶ **Substantial Income for Life** – Our gift annuity program offers attractive income rates based upon age at retirement and how long future income is deferred. The earlier you establish your charitable retirement account prior to retirement, the higher the income rate you will enjoy. Once income begins, the amount is fixed, providing a stable, dependable income stream for life – for you, your spouse, or another loved one.
- ▶ **Income Tax Savings** – Because part of each annuity is a gift for the ultimate benefit of HSU’s 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 during your retirement years.
- ▶ **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 deferred gift annuity may reduce that liability by removing assets from your taxable estate.
- ▶ **Good Feelings that Come with Giving** – When you establish a charitable retirement account through HSU’s gift annuity program, you benefit from the good feelings that come with knowing that you are making a difference in the lives of real people – namely, HSU’s 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 Charitable Retirement Account for an Individual Planning to Retire at Age 65*

Age at Time of Gift	Age 45	Age 50	Age 55	Age 60
Income Rate @ Age 65	8.9%	7.6%	6.5%	5.5%
Current Charitable Deduction	\$6,388	\$7,138	\$7,693	\$8,164
Future Annual Payment	\$2,225	\$1,900	\$1,625	\$1,375
Income Tax-Free Amount	\$935	\$897	\$869	\$846

*Minimum gift is \$5,000.

*Please contact us for two-life or couples’ deferred gift annuity rates, and for an illustration tailored to your circumstances and goals. The charitable income tax deduction varies 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 information and to receive a no-obligation illustration showing how a Charitable Retirement Account can for work for you:

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visit us online:

humboldt.edu/giftplanning

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

HUMBOLDT STATE UNIVERSITY