

A Charitable Gift Annuity – Example and Rate Chart

Bernice is a 72-year-old widow who would like to make a significant contribution to Calvary, but counts on the income produced by her investments. One of her investments is a \$10,000 certificate of deposit. She’s just heard from her bank that her CD will renew at an interest rate that is the lowest she has ever seen.

A charitable gift annuity would pay Bernice \$490 each year, at a rate of 4.9%, which is several percentage points higher than renewing her certificate of deposit. She would significantly increase her cash flow while making a substantial contribution to the work of Calvary. And she would receive an income tax deduction of \$4,690, which she might be able to use to reduce her income taxes.

The table below* illustrates the results of a \$10,000 charitable gift annuity at various ages:

Age of Annuitant	Payment Rate	Annuity Amount	Charitable Deduction
65	4.2%	\$420	\$4,060
70	4.7%	\$470	\$4,470
75	5.4%	\$540	\$4,880
80	6.5%	\$650	\$5,180
85	7.6%	\$760	\$5,730

**Note: The payment rate is based on a CGA with only one annuitant. A two life annuity will have a lower payout rate. This information is for illustrative purposes and is not intended as tax or legal advice. Rates are subject to change, and are based on rates recommended by American Council on Gift Annuities.*



Contact **Elizabeth Edds Kougasian, Esq.**
 at ekougasian@calvaryhospital.org or
 718-518-2080 to get started.

Visit us online at:
plannedgiving.calvaryhospital.org





Benefit While Helping Others

Calvary donor Joyce Toy is a born and bred New Yorker who graduated from Brooklyn College. She had a successful career in the computer industry, with global responsibilities which involved extensive travel. She still has the travel bug, and is currently planning a trip to Italy. As an active retiree, Joyce frequents theater, dance and music performances. She is an avid reader and lifelong learner who attends classes at The Center for Learning and Living, and is on its Board of Directors. Joyce also enjoys meeting friends at restaurants for food and fellowship.

Shortly before the pandemic, Joyce established a gift annuity for Calvary Hospital. In doing so, she locked in guaranteed quarterly payments at a fixed rate for the rest of her life.

But contributing a gift annuity was more than a financial decision. Joyce had decided she wanted to give a meaningful contribution to Calvary over and above her annual gift. Although Joyce has never had a family member or friend cared for at Calvary, she admires the hospice work Calvary does. She hopes if she were to need end-of-life care, Calvary would

be there for her, and she knows her gift annuity will help secure Calvary’s future for her and for others needing palliative care. Calvary’s mission of non-abandonment also resonates with Joyce. Her ancestors had to flee Russia during the pogroms.

A sophisticated businesswoman, Joyce did her gift-giving research. One of the things she liked was the ease of establishing a gift annuity. It is a short, simple and straightforward contract.

Joyce says, “participating in Calvary’s Gift Annuity program is a win-win situation. It allows you to benefit yourself while at the same time helping others!”



A Legacy Made Simple

Would you like to help support Calvary Hospital without changing your will or parting with any assets now?

You can do this by naming Calvary as a beneficiary of certain assets or accounts you own. This “beneficiary designation” is one of the simplest ways to make a gift to Calvary. It is as easy as filling out a form.

You can name Calvary as the sole beneficiary of your assets, or as one of several beneficiaries. For example, you can use some of your assets to make a legacy gift and use the rest to provide for family members or other loved ones.

There are many advantages to making a gift by beneficiary designation:

- **Flexibility:** Assets remain in your control should you need them. You can change your gift designation at any time.
- **Easy to arrange:** It does not require a change to your will.
- **Tax incentives:** Funds passing to Calvary are not subject to income or estate tax. This means 100% of your gift is available for use by Calvary.
- **Family-friendly:** You can name family or other loved ones to benefit from some of the asset value, with Calvary receiving the remaining portion.
- **Support your cause:** Your gift to Calvary directly supports the hospital and helps provide quality care to the people in our community.

Assets to consider designating for Calvary include:

Retirement assets: These include IRAs and most qualified retirement plans, such as 401(k) and 403(b) plans. Request a beneficiary designation form from your plan administrator and designate Calvary as a beneficiary of a percentage of your plan balance.

Retirement assets can be taxed at rates of 50% to 70% or higher if you leave them to someone other than a surviving spouse. This is because distributions from an IRA, 401(k), 403(b) or other qualified retirement plans are subject to both income and estate taxes.

In contrast, retirement funds that pass by beneficiary designation to charitable organizations, such as Calvary, are not subject to either of these taxes.

Life insurance policies: Simply complete and return to your insurance company a form designating that Calvary receive all or a portion of the death benefit associated with your life insurance policy.

Commercial annuity contracts: A commercial annuity will sometimes have a remaining value at the end of the annuitant’s lifetime. You can name Calvary to receive all or part of this amount by designating it as a beneficiary (sole or partial) on the appropriate form from the annuity company.

Bank account: You can instruct your bank to pay to Calvary all or a portion of what remains in your checking or savings account. Your bank can provide you with the appropriate beneficiary designation form.

Investment account: You can instruct your investment company to transfer to Calvary some or all of the investments held in your account at the time of your passing. Your broker or agent can let you know the process for doing this – it may be as simple as adding “T.O.D. (Transfer on Death) to Calvary” after your name on the account.

A Charitable Gift Annuity Provides Cash for You and Calvary Hospital

Even with inflation on the rise, the interest rate on your certificate of deposit may still be a little disappointing. Your investment newsletter is warning about bond prices. And the interest on your savings account... it’s still next to nothing.

A charitable gift annuity (CGA) can provide you and/or a loved one with a regular stream of payments, while also allowing you to make a generous charitable contribution to Calvary. A CGA is a simple agreement that promises to make fixed payments to one or two annuitants for life in exchange for your contribution of cash or securities. CGAs are easy to set up and you can also claim a current income tax deduction for the value of your charitable contribution.

Best of all, you will be making a generous contribution to support the work of Calvary.

The gift annuity payment does not change regardless of future market conditions. It is based on the gift amount, and the age(s) of the annuitant(s) at the

time of the contribution. Your income tax charitable deduction will be calculated according to the amount and timing of your contribution, as well as the annuity amount and ages of the recipient(s).

If you do not need the income right away, you may wish to make the gift now, but defer payments to a later date. Some donors have opted for this approach as they plan for retirement. This option, referred to as a *deferred charitable gift annuity*, allows a donor to make the gift and receive the income tax charitable deduction during the donor’s high income years, but postpone payment to a point in the future when income may be lower. And it provides a higher payout when the payments begin.

To learn more, please visit plannedgiving.calvaryhospital.org/cga. For a personal illustration and to discuss the impact you would like to achieve at Calvary, please contact **Elizabeth Edds Kougasian, Esq.** at ekougasian@calvaryhospital.org or **718-518-2080**.



Make a Difference

Name

Address

City, state

zip

Birthdate: month /day /year

Email

Telephone

I would like to learn more about:

☐ Charitable gift annuities ☐ Beneficiary designations

☐ Gifts by will or trust

☐ I want to make a gift now to help support Calvary.

Gift amount \$ _____

Make check payable to Calvary Fund Inc.

Charge my credit card:

☐ Visa ☐ Mastercard ☐ AMEX ☐ Discover

Card number _____

Expiration date _____ CVV _____

Signature _____



- ☐ **Please send me information about The Society of 1899.**
- ☐ **I have already included Calvary Hospital in my estate plans.**

The Society of 1899 recognizes individuals who have arranged for legacy gifts to Calvary. It honors members with invitations to events, presentations and receptions, and acknowledgment in our annual report and other publications.

If you have named Calvary Hospital in your will, trust, insurance policy, or as a beneficiary of an IRA, we hope you will let us know so we can thank you and welcome you as a new member. Membership is purely honorary. There is no obligation of any kind, and members are not required to disclose the terms of their gift. Calvary will keep the information anonymous, if you indicate that is your preference.



Where Life Continues

1740 Eastchester Road
Bronx, New York 10461

To the attention of:

*Special issue of Foresight enclosed.
We look forward to hearing from you.*

FROM:

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Calvary Fund Inc. of Calvary Hospital
Elizabeth Edds Kougasian, Esq.
1740 Eastchester Road
Bronx, NY 10461

CALVARY
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