



DEFERRED GIFT ANNUITY

SINGLE

- 1 \$10,000 cash gift
- 2 \$3,806 Montana Endowment Tax Credit
- 3 \$5,709 Federal Charitable Tax Deduction*
- 4 After 5 years from date of gift, Donor has the option to relinquish rights to future annuity payments which qualifies Donor for an additional small Federal tax deduction
- 5 Upon relinquishment of future annuity payments or death of Donor, remainder goes to the benefiting endowment fund(s) of their choosing

COUPLE

- 1 \$20,000 cash gift
- 2 \$7,475 Montana Endowment Tax Credit
- 3 \$11,616 Federal Charitable Tax Deduction*
- 4 After 5 years from date of gift, Donors have the option to relinquish rights to future annuity payments which qualifies Donor for an additional small Federal tax deduction
- 5 Upon relinquishment of future annuity payments or death of both Donor(s), remainder goes to the benefiting endowment fund(s) of their choosing

** The amount of the Federal Charitable Deduction has been reduced by the amount of the Montana Endowment Tax Credit per IRS regulation TD 9864.*

HOW A DEFERRED GIFT ANNUITY WORKS

Minimize Your Taxes and Maximize Your Gift.



BEGIN HERE



\$20,000 - Couple

Deferred Gift Annuity Agreement



Deferred Gift Annuity

1. Donation from Donor to Charity
2. Montana Community Foundation administers, invests and provides the vehicle to make gift charitable
3. State of Montana - offers Tax Credit

Benefiting Endowments

To benefit charity of Donor's choosing
(Designated Fund)

Donor named Fund, i.e. "Donor Family Fund" where donations to charity are determined annually
(Donor Advised Fund)

Field of Interest Fund for the benefit of charity interest area i.e. *Social Services, history, economic development*

A DEFERRED CHARITABLE GIFT ANNUITY

Annuity Payments begin at a later date (determined by Donor and MCF) which increases tax deduction, tax credit and annuity payment amounts.

After 5 years, Donor may relinquish rights to future annuity payments.

No

Annuity payments for life at established date.

Yes

Remainder goes to endowment of Donor's choosing within lifetime and Donor gets additional tax deduction.

Upon death, remainder goes to benefiting endowment fund(s) of Donor's choosing.

Upon relinquishment/donor(s) passing, the money will transfer to qualified endowment(s).