

# GIFT PLANNING NEWSLETTER: Gift Annuity

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## *Six Ways You Can Save on Taxes With a Gift Annuity*

1. A portion of your payments is tax-free. A larger percentage will be tax-free if you transfer cash to your gift annuity; a lesser percentage if you transfer appreciated securities.
2. A portion of your gift annuity is a charitable contribution. You can claim this deduction during the year you establish your annuity.
3. Your estate will incur no additional estate taxes if you are the sole recipient of your gift annuity payments.
4. Assets in your gift annuity bypass probate court.
5. If you transfer appreciated securities to establish your gift annuity, you will pay less capital gains tax than if you sold your stock. The capital gains tax is deferred and paid over your life expectancy as you receive annuity payments.
6. You can choose either the highest tax deduction for the year you establish your gift annuity or the greatest amount of tax-free income as you receive your payments. You note your preference on your gift annuity application. If you prefer, the LCMS Foundation will provide information to help you make that decision.

### **MORE ANNUITY AGREEMENTS, MORE BENEFITS**

Once you establish your gift annuity, you may not add to or change the agreement. You may, however, make additional agreements using other assets.

Remember, your age at the time you establish your gift annuity determines your annuity rate and tax savings. The older you are, the higher your rate, income tax deduction and tax-free portion of your income payment.

### **THE LCMS FOUNDATION SERVES YOU!**

The Foundation is the only LCMS organization that offers you comprehensive charitable expertise and customized services.

Since 1958, the LCMS Foundation has helped fellow Christians and LCMS organizations achieve their financial and ministry goals. Our experienced gift planning professionals help faithful Christians like you support hundreds of Lutheran ministries.

**Contact the LCMS Foundation Today! 800-325-7912**  
**[LCMSFoundation.org](http://LCMSFoundation.org)**

