

Looking for Increased Cash Flow?

A charitable gift annuity offers very attractive payout rates

In today's turbulent economy, the ability to make a charitable gift and increase cash flow at the same time is ideal for many givers. With a Charitable Gift Annuity (CGA) with New Hope Presbyterian Church, you can accomplish this with very attractive payout rates (5.8% for a single-person CGA, age 75).

A CGA is a "split-interest gift" in which the benefits are split between you as a giver and New Hope Presbyterian Church. Your gift is invested to provide payments to you (and your spouse, if desired) for the remaining years of your life. Then, the balance of the annuity benefits our ministry.

If you already know you want to make a charitable gift from your estate, a CGA is an alternative that will serve you well during life. You can make your gift now, receive a tax deduction, and still receive payments for life. If you wait until after your death to make the gift to charity through your estate, you are missing the beneficial income tax deduction that a CGA can provide.

Here's an example of how it works:

At 75 years old, Sam and Barbara were both retired and relied heavily on their fixed-income investments such as CDs, bonds, and money market funds for their income. But as interest rates plummeted along with the economy, they were troubled by the sudden drop in their income.

Still, they wanted to continue to support several of their favorite ministries and even planned to provide for them through their estate. Then they learned about a CGA through their church.

Sam and Barbara started their CGA by funding it with a gift of \$100,000. Based on their age and life expectancy, they qualified for a CGA with annual payments of 5%, or \$5,000 each year. They received an immediate tax deduction for a portion of the funding amount. A significant portion of each payment was tax-free. Even better, money from the balance of the annuity went to their church, to support ministry.

For Sam and Barbara, their Charitable Gift Annuity proved to be a hidden opportunity in their giving plan that blessed them immediately and benefited the causes closest to their hearts for years to come.

To find out how to get started, please contact Executive Pastor Mike Caldron (mike@newhopekent.org).

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