



Building Faith | Inspiring Hope | Igniting Change

July 15, 2014

Mr. & Mrs. Joseph McIntyre
12772 Happy Lane
Anytown, OH 12345

Dear Mr. & Mrs. McIntyre,

It was a pleasure to learn of your interest in establishing a Catholic Gift Annuity, administered by Catholic Extension. A charitable gift annuity is an excellent way to achieve goals for you while leaving a legacy gift for St. Mary's Catholic School, Anytown OH.

A Charitable Gift Annuity is a simple irrevocable contract between you and Catholic Extension. In exchange for your irrevocable cash gift of \$10,000, Extension agrees to pay you a fixed sum of \$460 each year for life based on your ages of 70 and 71. Your benefits will include:

- 1) You will qualify for a federal income tax deduction of approximately \$3,360. Your deduction may vary modestly depending on the timing of your gift.

Note that deductions for this and other gifts of cash and non-appreciated property will be limited to 50% of your adjusted gross income. You may, if necessary, take unused deductions of this kind over the next five years, subject to the same 50% limitation.

- 2) You will receive fixed payments in semi-annual installments totaling \$460 each year for life. In addition, \$332 of each year's payments will be tax-free for 20 years.
- 3) Your estate may enjoy reduced probate costs and estate taxes.

If you have any questions regarding a gift annuity, please call me at 312-795-6047, or use our toll-free number at 1(800)842-7804.

Sincerely,

Bobbi Hannigan
Manager of Diocesan Initiatives



CATHOLIC GIFT ANNUITY™

Administered by Catholic Extension

CATHOLIC GIFT ANNUITY
Administered by Catholic Church Extension Society

Charitable Gift Proposal

for

Joseph & Barrett McIntyre

July 15, 2014
Prepared by bh



CATHOLIC CHURCH EXTENSION SOCIETY
Summary of Benefits

Prepared for:
Joseph & Barrett McIntyre
July 15, 2014

4.6% Charitable Gift Annuity

ASSUMPTIONS:

Annuitants	70 71
Cash Donated	\$10,000.00
Payout Rate from ACGA2012 Table	4.6%
Payment Schedule	semiannual at end

BENEFITS:

Charitable Deduction	\$3,360.00
Annuity	\$460.00
Tax-free Portion	\$332.12
Ordinary Income	\$127.88

After 20.0 years, the entire annuity becomes ordinary income.

The charitable deduction displayed above is based on an IRS discount rate for a month prior to the month of gift. To take your deduction based on this rate, you must specify it in an election statement that you file with your tax return.

Basic Gift Illustrations
Prepared by: bh

IRS Discount Rate is 2.4%

These calculations are for illustration purposes only and should not be considered legal, accounting, or other professional advice. Your actual benefits may vary depending on several factors, including the timing of your gift.



CATHOLIC CHURCH EXTENSION SOCIETY
Taxation of Gift Annuity Payments

Prepared for:
 Joseph & Barrett McIntyre
 July 15, 2014

4.6% Charitable Gift Annuity

ASSUMPTIONS:

Annuitants	70
	71
Date of Gift	7/15/2014
Cash Donated	\$10,000.00
Payout Rate from ACGA2012 Table	4.6%
Payment Schedule	semiannual at end

CALCULATIONS:

Charitable Deduction	\$3,360.00
Number of Payments in First Year	2
Days in First Semiannual Period (7/2/2014 to 1/1/2015)	184
Days of Payment Credit in First Semiannual Period (7/15/2014 to 1/1/2015)	171
Annuity	\$460.00
Semiannual Payment	\$230.00
First Partial Payment on 1/1/2015 (171/184 x \$230.00)	\$213.75

BREAKDOWN OF ANNUITY:

	Tax-free Portion	Ordinary Income	Total Annuity
2015 to 2015	320.39	123.36	443.75
2016 to 2034	332.12	127.88	460.00
2035 to 2035	9.33	450.67	460.00
2036 onward	0.00	460.00	460.00

After 20.0 years, the entire annuity becomes ordinary income.

The charitable deduction displayed above is based on an IRS discount rate for a month prior to the month of gift. To take your deduction based on this rate, you must specify it in an election statement that you file with your tax return.