

# Deferred Charitable Gift Annuity - One Life

Prepared for: Donor name

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## A. Input Assumptions

Date of transfer	<u>December 13, 2019</u>
Fair market value of property transferred	<u>\$ 100,000.00</u>
Nearest age on the date of the gift for <u>Beneficiary 1</u> is	<u>70</u>
Date of first payment	<u>4/1/2020</u>
Annuity starting date (payment period before 1st payment)	January 1, 2020
Annual annuity rate for immediate annuity	5.1%
Payment frequency	<u>Quarterly</u>
Prorate first payment or Full first payment?	<u>Prorate</u>
Deferred annuity interest adjustment factor	1
Annual annuity rate adjusted for deferral	5.1%
IRC Sec. 7520(a) election to use 10/2019 discount rate of	1.8%
The mortality table is based on the census taken in	2000

## B. Present Value of Remainder Interest - One Life Deferred

1. Age nearest to date of transfer	<u>70</u>
2. Age nearest to annuity starting date	<u>70</u>
3. Value of Dx from IRS Pub. 1457, Table H based on	
(a) Line 1 age	21454.69
(b) Line 2 age	21454.69
4. Line 3(a) divided by Line 3(b)	1
5. Unadjusted value of \$1 of single life annuity from IRS Pub. 1457, Table S based on Line 1 age	12.08
6. Adjustment factor based on payment frequency from Pub 1457, Table K	1.0067
7. Adjusted value of \$1 of single life annuity (Line 5 * Line 6)	12.1609
8. Value of \$1 of deferred single life annuity (Line 4 * Line 7)	12.1609
9. Annual annuity rate for deferred annuity	5.1%
10. Deferred annuity interest adjustment factor	1
11. Deferred annuity rate (Line 9 * Line 10)	5.1%
12. Net fair market value paid for annuity	\$100,000.00
13. Annuity amount payable on an annual basis (line 11 * Line 12)	\$5,100.00
14. Present value of annuity (Line 8 * Line 13)	\$62,020.59
15. Minimum value of annuity (lesser of Line 12 and Line 14)	\$62,020.59
16. Present value of remainder interest	\$37,979.41

Depending on the type of asset you contribute, a portion of your payment may be taxable to you as a combination of ordinary income, long-term capital gain, and a tax-free return of principal. This report has been calculated assuming a contribution of cash. Each of your next 15.9 years payments of \$5,100.00 will contain \$3,900.67 of tax-free income and \$1,199.33 of ordinary income. All income will be ordinary after 15.9 years.

NOTE: This calculation is provided for educational purposes only. The type of assets transferred, the actual date of the gift, and other factors may have a material effect on the amount or use of your deduction. You are advised to seek the advice of your tax advisors before implementing a gift of this type.

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