

Charitable Gift Annuity - Two Life

Prepared for: Donor name

A. Input Assumptions

Date of transfer	<u>January 24, 2020</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>92</u>
Nearest age on the date of the gift for <u>Beneficiary 2</u> is	<u>87</u>
Date of first payment	March 31, 2020
Annual annuity rate for immediate annuity	7.9%
Payment frequency	<u>Quarterly</u>
Prorate first payment or Full first payment?	<u>Prorate</u>
Is payment at the beginning or end of the payment period?	<u>End</u>
This table uses a hypothetical future discount rate of	1.8%
The mortality table is based on the census taken in year	2000

B. Present Value of Remainder Interest - Immediate

1. Net fair market value paid for annuity	\$100,000.00
2. Annual annuity rate	7.9%
3. Annuity amount payable on an annual basis	\$7,900.00
4. Factor for present worth of a single life annuity (based on table S)	6.1811
5. Adjustment factor based on payment frequency from Pub. 1457, Table K	1.0067
6. Adjusted value of \$1.00 (Line 4 * Line 5)	6.2225
7. Adjusted annuity value (Line 3 * Line 6)	\$49,157.75
8. Excess of actual 1st payment over pro rata 1st payment (0 for pro rata first payment)	\$0.00
9. Present value of annuity (Line 7 + Line 8)	\$49,157.75
10. Minimum value of annuity (lesser of line 1 and line 9)	\$49,157.75
11. Present value of remainder interest (Line 1 - Line 10)	\$50,842.25

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 7.4 years payments of \$7,900.00 will contain \$6,642.94 of tax-free income and \$1,257.06 of ordinary income. All income will be ordinary after 7.4 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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