

Non-Grantor Charitable Lead Unitrust - Term Certain

Prepared for: Donor name

A. Input Assumptions

Date of transfer	<u>December 13, 2019</u>
Fair market value of property transferred	<u>\$ 1,000,000.00</u>
The term income interest of the trust will last	<u>20</u> years
Unitrust payout rate	<u>5</u> %
Payment frequency	<u>Quarterly</u>
Is payment at beginning or end of payment period	<u>End</u>
Number of months between the valuation date and the first payout rate for the first full taxable year of the trust	3
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. Calculation of Present Value of Remainder Interest Factor: (Interpolation of Table U Factor for Term Certain)

1. Factor for Table F based on the payment period, the number of months between the valuation date and the first payment date, and the discount rate	0.988924
2. Adjusted payout rate (Table F factor * payout rate)	4.94%
3. The nearest usable payout rate less than the Line 2 rate	4.8%
4. Line 2 minus Line 3	0.14%
5. Line 4 divided by .20 percent	0.7231
6. Factor from Table U at the Line 3 rate	0.373886
7. Factor from Table U at the rate .20 percent higher than the Line 3 rate	0.358486
8. Line 6 minus Line 7	0.0154
9. Line 8 times Line 5 (Interpolation adjustment)	0.011136
10. Present value of remainder interest factor (Line 6 - Line 9)	0.36275

C. Calculation of Gift or Estate Tax Deduction for Non-Grantor Trust

1. Fair market value of property transferred	\$1,000,000.00
2. Present value of remainder interest in unitrust factor (from Section B)	0.36275
3. Present value of remainder interest - remainder subject to gift or estate tax (Line 1 * Line 2)	\$362,750.00
4. Line 2 minus Line 3 (Gift or Estate Tax deduction)	\$637,250.00

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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