

A Gift That Benefits You, and Your Favorite Charity

For donors interested in taking a charitable deduction on their taxes in the current year while still receiving income from those assets, a charitable gift annuity (CGA) offers the opportunity to achieve both goals. CGAs allow you to make a current tax-deductible gift to benefit your favorite charity, while still receiving a lifetime annual income.

How a Charitable Gift Annuity Works

As part of your planned giving strategy, a CGA provides a unique opportunity to make a tax-deductible gift while receiving a lifetime annual income from that gift. After your death, the remainder of the CGA either creates an endowment for the designated charity, or is added to that organization's existing endowment at Madison Community Foundation (MCF).

Choose What Works for Your Situation

A CGA offers many options that allow you to create a plan that works best for your personal goals and situation:

- Establish your CGA with an irrevocable gift using a variety of assets, including cash and stock. The minimum gift required to establish a CGA is \$10,000 to add to an existing endowment with MCF and \$30,000 to create a new endowment.
- Choose whether the annuity will be just for your lifetime, or cover two lives.
- Begin receiving annuity payments immediately, or defer them to a later date.
- Choose whether to receive payments quarterly or annually via direct deposit to your account.

Feel Confident in the Stewardship of Your Gift

Since 1942, MCF has been connecting generous donors like you with the opportunities to make a positive difference to the causes they care about most. MCF is made up of the gifts made by thousands of donors over the course of our history. As steward of the gifts that come to us, we invest for growth and income, providing resources for our fundholders and the community forever.

Benefits of a Charitable Gift Annuity

CGAs provide:

- An immediate charitable income tax deduction
- A fixed annual income, paid out either quarterly or annually
- A partial tax-free return on principal on each payment you receive
- A steady and permanent income stream for your chosen nonprofit organization

A Step-by-Step Guide to Creating Your CGA

Creating a CGA is a relatively simple process.

- 1. Contact your favorite nonprofit organization.** Tell them you want to create a CGA at MCF for their benefit. Alternatively, you can call MCF directly at 608.232.1763.
- 2. Provide MCF with some basic information.** We will need your full name, birth date, the amount of your gift, and the type of asset you're funding the gift with (i.e., cash, stock, etc.). If you're planning to take your annuity over two lives, we'll also need the full name and birth date of the second person.
- 3. Review the projection packet MCF will provide.** After we receive your information, we will create a projection packet for you that will include your annuity payment amounts and estimated tax savings.
- 4. Meet with MCF to review the packet.** It's good to have a representative from the nonprofit at this meeting too, if possible.
- 5. Sign the paperwork.** The final step is to sign the paperwork, arrange your annuity payments and make the gift to MCF.

Want to Learn More?

To learn more about establishing a CGA, or to start the process, contact:

Carmen Jeschke
Vice President of Finance & Operations
cjeschke@madisongives.org
608.232.1763

Current CGA Rates

One Life

Age	Rate*
60**	3.9%
65	4.2%
70	4.7%
75	5.4%
80	6.5%
85	7.6%
90 & over	8.6%

Two Lives

Age	Rate
60/65	3.7%
65/70	4.0%
70/75	4.3%
75/80	4.9%
80/85	5.8%
85/90	7.1%
90/95	8.4%

* MCF follows rates established by the American Council on Gift Annuities, which were updated effective July 1, 2020.

** Minimum age for establishing a CGA with MCF.

About Madison Community Foundation

In the last 25 years, MCF and its donors have given more than \$200 million to strengthen our community. Established as a community trust in 1942, MCF has grown to more than 1,110 charitable funds with \$300 million in assets.

Visit madisongives.org