

Among adult Americans, there may be no concern as universal as that of planning adequately for retirement.

Hopes and dreams for the “golden years” - not to mention the unknowns of tomorrow - are prompting more Americans to take full advantage of plans that provide retirement income.

In this environment, the **Deferred Gift Annuity** offers some unique benefits and is increasingly popular, in part, because it offers a way to maximize the return of highly appreciated, low-yield assets.

Part Gift and Part Future Annuity

(Continued)

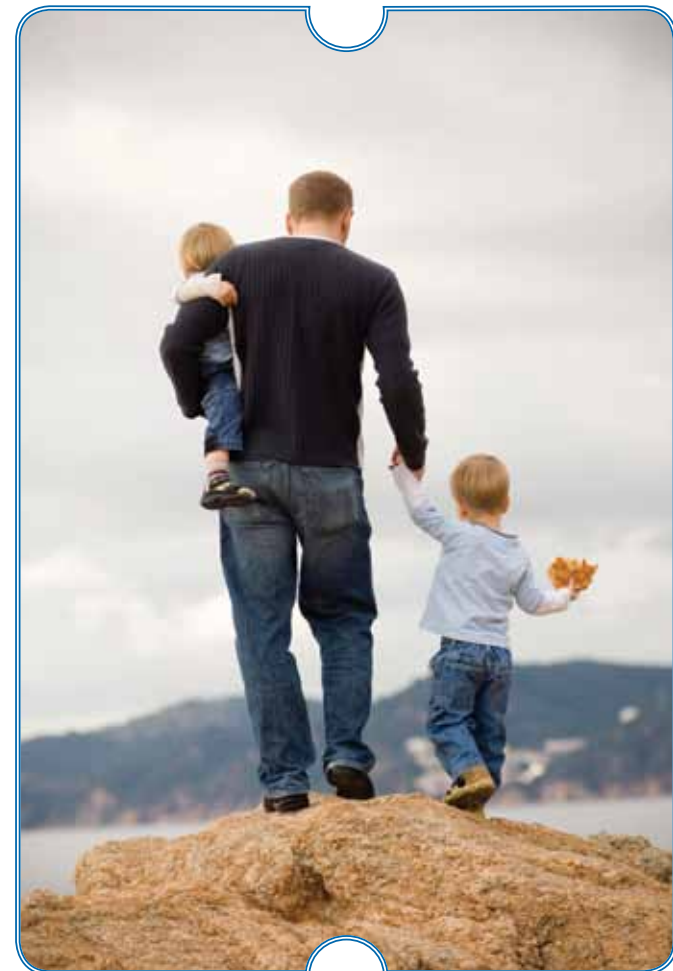
Based on the couple’s ages and length of deferral, the couple will receive substantial annual annuity payments for life. Part of that annuity payment may be tax-free.

Upon the death of both Mr. and Mrs. Sample, the remaining value of the Deferred Gift Annuity agreement goes directly to charity. So, not only do Mr. and Mrs. Sample realize their goal of improving their retirement plan, they are able to realize a long-term philanthropic objective as well.

To see how a Deferred Gift Annuity can work for you, complete the form in this brochure or contact us. (The Deferred Gift Annuity can be funded with cash as well as stock.)



United Methodist Retirement Homes Foundation
2600 Croasdaile Farm Pkwy., Suite A-500
Durham, NC 27705
Phone 919-384-3004
georged@umrh.org
www.umrhgift.org



A **PLAN** *for*
the **Future**
WITH BENEFITS TODAY

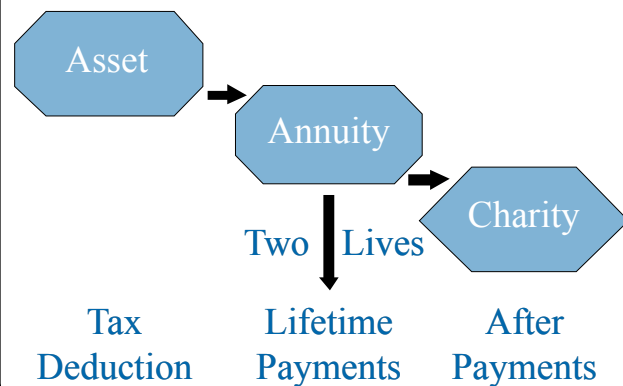
How Your Appreciated Assets Can Pay Off At Retirement

Our lawmakers continue to provide incentives for Americans to save today in order to meet the financial needs of the future. Each of these plans (like the IRA and 401(k)) deliver tax benefits in return for a decision that, in effect, defers access to income.

The charitable planning strategy known as the Deferred Gift Annuity has four benefits you won't find in other retirement plans. These are:

- A charitable income tax deduction
- Partial bypass of capital gains tax on appreciated stock
- Partly tax-free income
- A gift to charity

Deferred Gift Annuity



Part Gift / Part Future Annuity

The Deferred Gift Annuity is an agreement that is actually part gift and part annuity. The chart below illustrates the basics of this agreement.

Mr. and Mrs. Sample, both age 50, own a block of stock with a current value of \$100,000. The couple purchased the stock a number of years ago for \$20,000, but the stock generates almost no income.

Several months ago the couple decided to examine their retirement plan. They began to explore options that would convert this \$100,000 block of stock into an income producing asset. Selling the stock is an option, but this would trigger a tax liability.

The Deferred Gift Annuity offered the ideal solution. Here's how it works:

As our chart shows, Mr. and Mrs. Sample transfer the stock to a qualified charity in exchange for a Deferred Gift Annuity agreement. The agreement calls for the charity to make annual income payments to the Samples, beginning at retirement and continuing for life. Upon the death of both Mr. and Mrs. Sample, the remaining value of the asset passes to charity.

When the stock is transferred to charity the Samples receive a charitable income tax deduction and they bypass part of the tax due on the \$80,000 capital gain.

(continued on back)

For More Information...

I have reviewed your brochure on Deferred Gift Annuities and:

- I would like to speak with someone who can provide additional information.
- I would like to receive information on other charitable tax planning options.

Name _____

Street _____

City _____

State / Zip _____

Home Phone _____

Work Phone _____

E-mail _____

(Please complete and return to the address indicated on the back panel. All inquiries are treated with complete confidence.)