

Charitable Gift Annuities

What they are

Donors make an irrevocable gift to the Hartford Foundation, typically cash or securities. Many choose to give highly appreciated securities that produce little or no income.

The Foundation guarantees the donor and/or beneficiary a fixed annual payment calculated according to their age. The contributed property becomes part of the Foundation's assets, and the payments are a general obligation of the Foundation. The annuity is backed by all of the Hartford Foundation's assets, not just by the property contributed.

In addition to the annual income, the donor receives a current charitable contribution deduction for a portion of the gift. With the capital gains on donated securities only partially taxed and deferred over the annuity period, donors may enjoy a reduction in their taxes.

At the end, any remaining funds are used to establish or add to a permanent endowment fund to support an area the donor designates.

How they work

1. A donor transfers cash, securities, or other property to the Hartford Foundation for Public Giving. There is a minimum gift threshold of \$10,000 to establish a single-life charitable gift annuity.
2. A donor receives an income tax deduction and may save capital gains tax. The Hartford Foundation pays a fixed amount each year to a donor or to another beneficiary for life. Typically, a portion of these payments is tax-free.
3. When the gift annuity ends, its remaining assets are used to create or add to a fund at the Foundation.

Benefits

- Donors receive fixed annual payments for life
- Portion of annuity may be tax-free
- Federal, and possible state, income tax charitable deduction
- Results in a legacy gift to the Greater Hartford community
- Donors receive a current charitable deduction for a part of their gift

Sample Gift Annuity Rates as of April 2017

Single Life	
Age	Rate
60	4.4%
65	4.7%
70	5.1%
75	5.8%
80	6.8%
85+	7.8%

- Based on suggested rates of the American Council on Gift Annuities.
- The figures above are based on a single-life annuity.
- Rates are for ages at nearest birthday.

Learn more.

Visit our website at www.hfpg.org.

Call Deborah Rothstein, J.D., Vice President for Development, at 860-548-3107.

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