CHARITABLE REMAINDER UNITRUST: GIVE TODAY AND RECEIVE INCOME FOR LIFE OR A TERM OF YEARS

Imagine empowering the future of Johns Hopkins—students, faculty, and researchers—in continuing to improve the lives of millions around the world. A charitable remainder unitrust is an effective way to make a significant gift that benefits you now and Johns Hopkins later. Your commitment will be counted in *Rising to the Challenge: The Campaign for Johns Hopkins* and will have a lasting impact on generations to come.

RISING TO THE CHALLENGE

THE CAMPAIGN FOR JOHNS HOPKINS

A charitable remainder unitrust offers a way to support any area of Johns Hopkins while providing you and/or other beneficiaries income for life, a term of years (not to exceed 20), or a combination of both. If Johns Hopkins serves as trustee, the minimum gift value is $100,000 and at least 60 percent of the remainder must benefit Johns Hopkins. Charitable remainder unitrusts are attractive because of the income tax deduction, favorable capital gains tax treatment, and the ability to make the gift with cash, appreciated securities, real estate, business interests, or art.

HOW IT WORKS

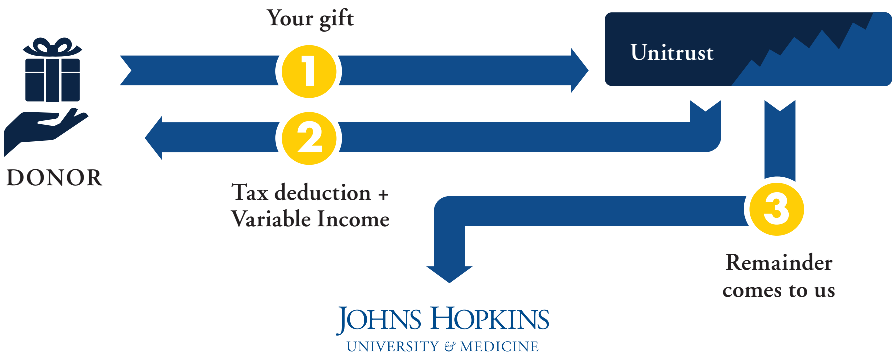
When the trust is established, you as the donor will receive an immediate charitable income tax deduction, and the payments to the beneficiaries will be at least five percent of the value of the trust, revalued each year. Your deduction will be based on the full fair-market value of the assets you contribute, minus the present value of the payments the beneficiaries will receive. You may make additions to the trust at any time, generating another charitable income tax deduction and increasing the value of the income payments. Upon the trust's termination, the remaining balance is used by Johns Hopkins for the purpose you initially designated.

PLANNING OPPORTUNITIES

Enhance Current Lifetime Income

A standard charitable remainder unitrust is often chosen to provide income for life while providing future philanthropic support. Payments begin as soon as the trust is created and funded. The annual payout rate of the trust (at least five percent) is determined by you and Johns Hopkins in accordance with IRS rules. The trust pays beneficiaries that fixed percentage of the value of the principal, as revalued annually. When the value of the trust increases, income also increases; likewise, income will be less if the value declines.

Charitable Remainder Unitrust



What Will Your Legacy Be?

The Johns Hopkins Legacy Society honors those who secure the financial future of Johns Hopkins University and Medicine by making a life income gift or a gift from their estate. Legacy gifts play a vital role in achieving the goals of *Rising to the Challenge: The Campaign for Johns Hopkins* and can support any area of Johns Hopkins.

Supplement Future Retirement Income

An attractive variation is a *flip* unitrust—an option for donors who would like to establish a charitable remainder unitrust now, secure an immediate income tax deduction, but defer most of the income payments to a future date. Often, real estate or business interests are donated, and held by the trustee during the early years, generating little or no income. When the "triggering" event identified in the trust occurs (such as a specified date or the sale of the assets) the trust "flips," the assets are re-invested in an appropriate portfolio, and the trust functions as a standard charitable remainder unitrust.

Help Pay Tuition or Other Costs for a Term of Years

You might choose either a standard unitrust or a flip unitrust to pay income to your child or grandchild with educational or other expenses for a term of years. Again, you receive a substantial income tax deduction when you create the trust, and the satisfaction of securing future funding for Johns Hopkins when the trust terminates.

TRUST INVESTMENT AND MANAGEMENT

When Johns Hopkins serves as the trustee, our Office of Investment Management and the Board of Trustees Committee on Investments, in partnership with Kaspick & Company, oversee the investment and management of the trust. Johns Hopkins has a track record of strong investment returns. Your benefits include timely payments, preparation of annual tax documents, and informative reporting, elimination of the investment and administrative burden associated with the trust, and shared interest in the success of the trust.

CONTACT US

Contact the Office of Gift Planning to speak with a gift planning advisor who will be happy to discuss your philanthropic goals and financial needs, and to create a sample charitable remainder unitrust illustration based on your specific situation.

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