

# CHARITABLE GIFT ANNUITY: MAKE A GIFT AND RECEIVE GUARANTEED FIXED PAYMENTS FOR LIFE

“Investing in Johns Hopkins really means investing in the students. They’re going to be doing bigger and better things than even we can imagine, and helping them do those things gives us a great deal of satisfaction.”

Sue, SPH '68, and Tim, A&S '48, SPH '54, Baker



THE CAMPAIGN FOR JOHNS HOPKINS

When Sue and Tim Baker, both Johns Hopkins graduates and professors, sold their house, they donated the proceeds to Johns Hopkins to fund a charitable gift annuity. This type of gift allows them to receive regular payments for the rest of their lives while supporting Johns Hopkins' future scholars. Like the Bakers, you may be considering ways to fulfill your philanthropic goals while exploring options for income. A Johns Hopkins charitable gift annuity (CGA) can provide payments to you or others for life, with the remainder to benefit any area of Johns Hopkins you designate.

## HOW IT WORKS

In return for your gift of \$10,000 or more, Johns Hopkins creates a CGA contract, invests the funds, and pays up to two beneficiaries (including you if you wish) fixed income for life based on the ages of the beneficiaries. Income beneficiaries must be at least age 60 for payments to begin, and payments can start immediately or be deferred. At the passing of the last beneficiary, the remaining funds support the area of Johns Hopkins that you select.

## BENEFITS OF A CGA

- Guaranteed, fixed quarterly payments for life
- An immediate income tax deduction for a portion of your gift
- Part of the annuity payment is tax-free
- If funded with appreciated securities, pay no upfront capital gains tax, and part of the annuity payment is taxed at the capital gains rate
- Options for payments to start immediately or in the future
- The satisfaction of securing the future of Johns Hopkins

## Charitable Gift Annuity Rates— Immediate Payment

Age	One-Life Rate
90	9.0%
85	7.8%
80	6.8%
75	5.8%
70	5.1%
65	4.7%

Current maximum rates as of July 1, 2013



### What Will Your Legacy Be?

The Johns Hopkins Legacy Society honors those who secure the financial future of Johns Hopkins University and Johns Hopkins Medicine by making a life-income gift—such as a charitable gift annuity—or a gift through 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.

### HOW CAN I FUND MY CGA?

Fund your CGA with cash or appreciated securities with a minimum value of \$10,000.

### HOW IS THE PAYMENT RATE SET?

Johns Hopkins follows the maximum rates, based on age, set by the American Council on Gift Annuities. If you wish, you can choose a lower rate that will yield a higher income tax deduction. The payments remain fixed for life.

### WHAT IF I WANT TO DELAY PAYMENTS?

A deferred CGA and a flexible CGA allow for the payments to start at a later date. By delaying payments, you receive a higher payment rate than an immediate CGA.

### CAN SOMEONE OTHER THAN ME RECEIVE THE PAYMENTS?

Yes. One or two individuals (including you if you wish) can receive the income payments. You can create a CGA to benefit someone else during your lifetime or through an estate gift.

### HOW IS MY CGA INVESTED AND MANAGED?

Johns Hopkins Office of Investment Management and the Board of Trustees Committee on Investments oversee the investment of the CGA program, a robust, long-standing program of approximately 1,000 CGA contracts. Johns Hopkins partners with Kaspick & Company, a member of the

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TIAA-CREF group of companies, for asset management, timely administration, and informative reporting.

### WHAT WILL I NEED TO PREPARE MY TAX RETURN?

Johns Hopkins will provide information to document your charitable deduction when you create your CGA. Annually, Johns Hopkins sends CGA beneficiaries a Form 1099-R to report their income payments.

### HOW CAN I LEARN MORE ABOUT WHETHER A CGA IS RIGHT FOR ME?

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 CGA illustration based on your age and a specified gift amount. Or visit our website, and use the CGA calculator to help determine your potential income payment and tax benefits.

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