



# CHARITABLE GIFT ANNUITY

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A charitable gift annuity is a simple combination of two concepts: a charitable gift and income for life—think of it as the gift that gives back. A gift annuity allows you to give a gift to a Moravian University program of your choice AND benefit from the following:

- Safe, fixed income for your life and the life of a loved one (spouse or family).
- Tax savings—immediately and in the future.
- Favorable treatment of capital gains, if funded with appreciated assets.
- Membership in the Cornerstone Society, as well as other recognition societies (depending on the size of your gift).

## HOW DOES A CHARITABLE GIFT ANNUITY WORK?

In exchange for an irrevocable gift of cash, publicly traded securities, or other assets, Moravian University agrees to pay one or two persons a fixed annual income that is backed by the resources of the University. The charitable gift annuity rate of return is set by the American Council on Gift Annuities and is often higher than what is available from many conservative investments. The gift is set aside in a reserve account and invested. At the end of your life (and that of your loved one, should you choose an additional income beneficiary), Moravian University receives the remainder of the gift, which you may designate to a particular program or fund of your choosing.

## ARE THERE ANY AGE OR GIFT AMOUNT RESTRICTIONS?

The minimum age to establish a gift annuity at Moravian University is 65, and the minimum contribution is \$10,000.

## WHAT ASSETS CAN I USE TO FUND A CHARITABLE GIFT ANNUITY?

While cash is the most popular way to fund a gift annuity, you may also use the proceeds from maturing CDs, publicly traded stock, and other appreciated assets.

## IS IT WORTH THE TIME AND ENERGY TO CHANGE FROM MY CURRENT INVESTMENT TO A CHARITABLE GIFT ANNUITY?

Yes, especially if your current investment yields a variable rate of return. Because your income from a Moravian University charitable gift annuity will never decrease—nor can you outlive it—this one-time purchase can provide a stable annual income. This income can allow you to meet important needs, such as buying long-term care insurance or offsetting the costs of retirement facility care.

### GIFT PLANNING TIP:

If you fund the annuity with appreciated securities, you avoid a portion of the capital gains tax. The simplicity of establishing a gift annuity, along with the tax incentives and guaranteed rate of return, make this a very popular giving option.