

# Charitable Gift Annuity - Two Life

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Prepared for: Donor name

## A. Input Assumptions

Date of transfer	June 24, 2021
Fair market value of property transferred	\$100,000.00
Nearest age on the date of the gift for Beneficiary 1 is	93
Nearest age on the date of the gift for Beneficiary 2 is	88
Date of first payment	June 30, 2021
Annual annuity rate for immediate annuity	8%
Payment frequency	Quarterly
Prorate first payment or Full first payment?	Prorate
Is payment at the beginning or end of the payment period?	End
The discount rate (effective 6/2021) is	1.2%
The mortality table is based on the census taken in year	2000

## B. Present Value of Remainder Interest - Immediate

1. Net fair market value paid for annuity	\$100,000.00
2. Annual annuity rate	8%
3. Annuity amount payable on an annual basis	\$8,000.00
4. Factor for present worth of a single life annuity (based on table S)	5.9808
5. Adjustment factor based on payment frequency from Pub. 1457, Table K	1.0045
6. Adjusted value of \$1.00 (Line 4 * Line 5)	6.0077
7. Adjusted annuity value (Line 3 * Line 6)	\$48,061.60
8. Excess of actual 1st payment over pro rata 1st payment (0 for pro rata first payment)	\$0.00
9. Present value of annuity (Line 7 + Line 8)	\$48,061.60
10. Minimum value of annuity (lesser of line 1 and line 9)	\$48,061.60
11. Present value of remainder interest (Line 1 - Line 10)	\$51,938.40

Depending on the type of asset you contribute, a portion of your payment may be taxable to you as a combination of ordinary income, long-term capital gain, and a tax-free return of principal. This report has been calculated assuming a contribution of cash. Each of your next 7 years payments of \$8,000.00 will contain \$6,865.94 of tax-free income and \$1,134.60 of ordinary income. All income will be ordinary after 7 years.

NOTE: This calculation is provided for educational purposes only. The type of assets transferred, the actual date of the gift, and other factors may have a material effect on the amount or use of your deduction. You are advised to seek the advice of your tax advisors before implementing a gift of this type.

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