

---

## Charitable Gift Annuities

---



### A Gift That Gives Back

Would you like receive a fixed income for life and support Mount Holyoke? Other donors who feel the same way have discovered the joy of a win-win solution to meet the need for a steady income while also supporting Mount Holyoke through a charitable gift annuity.

A charitable gift annuity is a contract between you and Mount Holyoke that provides advantages for both. You make a gift and receive immediate financial benefits. By funding a charitable gift annuity you provide valuable support to Mount Holyoke College, and receive a charitable income tax deduction and fixed payments for your lifetime and/or the lifetime of a loved one.

Charitable gift annuities may be funded with cash or securities. The payout rate on a charitable gift annuity is a fixed rate based on the age of the beneficiary(ies) at the time the gift is made. Payments may be made to one or two income beneficiaries.

## Summary of Financial Benefits:

- Guaranteed fixed payments for life
- A portion of your payments may be nontaxable
- Charitable income tax deduction for a portion of the gift
- Reduced capital gains taxes
- Make a gift to Mount Holyoke today

## Sample Annuity Rates\*

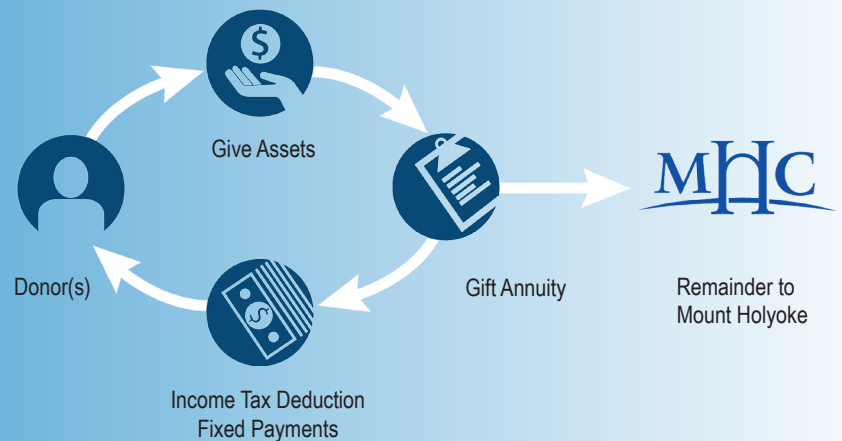
Minimum gift amount is \$10,000 and the minimum age is 55 years old.

Gift Amount	Age	Payment Rate	Annuity	Deduction
\$10,000	55	4.0%	\$400,	\$2,065
\$10,000	66	4.8%	\$480	\$3,193
\$10,000	67	4.8%	\$480	\$3,438
\$10,000	68	4.9%	\$490	\$3,549
\$10,000	69	5.0%	\$500	\$3,670

\* Based on rates recommended by the American Council on Gift Annuities (subject to change).

## EXAMPLE:

Beth '59, age 76, contributes \$10,000 cash and receives a lifetime annuity of \$600, of which \$475 is tax-free for approximately the first twelve years. In the year she makes the gift, she receives an income tax deduction of \$4,440 and designates that amount to The Mount Holyoke Fund to be used immediately\*



\* For California donors, the gift portion is preserved until the end of the annuity.

*“My husband, Ted, did it at Amherst—in pieces, too! We needed income and this was better than we could do with other investments.”*

— Tracy Truman '63

## Benefits Include:

- Guaranteed fixed payments for life. The beneficiaries you name will receive fixed annual payments for life, backed by all the assets of Mount Holyoke College. With attractive annuity rates, the amount you receive from your asset may increase.
- Federal and state income tax deduction. You will receive an income tax deduction in the year of your gift to be used for immediate tax savings. The amount of your income tax deduction is considered your gift and may be designated to any area you wish to support.
- Favorable capital gains tax treatment. If you fund the annuity with long - term appreciated securities (ones you have held for more than one year), you will incur tax on only part of the gain. If you name yourself as an annuitant, this tax will be spread out over many years. In other words, some of the capital gain is forgiven completely and the other portion is spread out over your life expectancy.
- Reduced estate costs. Your estate may enjoy reduced probate costs and estate taxes.
- Support Mount Holyoke College. You can designate your gift to support any fund at the College—giving you the satisfaction of knowing you are providing generous support to Mount Holyoke’s commitment to an intellectually rigorous education in the liberal arts.

## NEXT STEPS:

To receive further information and assistance on charitable gift annuities, or to learn more about how your gift can help Mount Holyoke College, please contact Anne Vittoria.

- call (413) 538-2637
- email [giftplanning@mtholyoke.edu](mailto:giftplanning@mtholyoke.edu)

\* Because everyone’s situation is different, we encourage you to seek professional legal, estate planning, and financial advice before deciding on a course of action. This information does not constitute legal or financial advice and should not be relied upon as a substitute for professional advice.



Your gift is an investment in Mount Holyoke’s vision for the liberal arts and supports its mission of preparing students to face the future with confidence.

Anne Vittoria, FP '05  
Director of Gift Planning  
Mount Holyoke College  
Phone: (413) 538-2637  
Email: [avittori@mtholyoke.edu](mailto:avittori@mtholyoke.edu)