

Charitable Gift Annuity Example

Mr. and Mrs. Donor have a deep appreciation for the work of their church, and realize their congregation's success depends on having a strong regional ministry. They want to make a gift to the Regional Church — but at age 79, still need to live off the income of their investments.

They have a \$20,000 certificate of deposit coming due, but know they will only get 2 or 3%.

They decide to enter into a Charitable Gift Annuity contract, and make an irrevocable gift of the \$20,000. At their age, the payout rate is 6.0%, providing them with \$1,200 annually, some of which is free of tax. In addition, they receive an immediate tax deduction of \$7,061.

The annual payout exceeds the interest they would get from the CD, and the payout is guaranteed as long as they live — regardless of economic conditions.

Best of all, when the last of the two annuitants die, any residue will go to the Christian Church in West Virginia to help undergird its ministry.

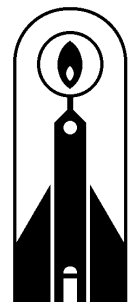
The following rates are examples of ones determined by the American Council of Gift Annuities, in which the Christian Church Foundation participates:

One Life:

Age:	50	55	60	65	70	75	80	85
Percentage Rate:	4.4	4.8	5.0	5.3	5.7	6.3	7.1	8.1

Two Lives:

Ages:	50-50	55-59	60-60	65-69	70-70	75-75	80-80	85-85
Percentage Rate:	3.8	4.3	4.6	5.0	5.2	5.6	6.1	7.0



For a brochure detailing further information on Charitable Gift Annuities, contact Rev. David Chafin: (304)428-1681 or (304)417-1248; email plannedgiving@wvdisciples.org

Keep the flame alive...
Remember your Regional Church in your will!

From the Foundation: We Are Here to Help

You make an important difference every time you make a gift to support the church. We hope that you have found in this newsletter some ideas that may let you extend the reach of your generosity far into the future.

To assist you as you contemplate estate gifts through the Foundation, we would like you to have a complimentary copy of our booklet, *Planning Your Will for All It's Worth*.

To get your copy, just call the Foundation office toll-free at (800) 668-8016 or contact the Regional Office.

Legacies is published for friends of the Christian Church (Disciples of Christ) in West Virginia by the Region and by the Christian Church Foundation. It is designed to point out current developments that may be helpful in your tax and financial planning. Not all gift instruments are available in every state. You should consult your own attorney or financial advisors.

Christian Church Foundation, 130 E. Washington Street, P. O. Box 1986, Indianapolis, IN 46206

Phone: (800)668-8016 Web: www.disciples.org/ccf

Email our Foundation Representative, Darwin Collins: dcollins@ccf.disciples.org

Christian Church in West Virginia, 1402 Washington Avenue, Parkersburg, WV 26101

Phone: (304)428-1681 Web: www.wvdisciples.org Email: plannedgiving@wvdisciples.org

Please help us in our stewardship, as you are able, by advising us of any planned gifting you intend for the regional church, either through your will or other gifting instruments. All information will be held in strict confidence.

For more information, contact Rev. David Chafin, at the regional office (304)428-1681 or on his mobile phone: (304)417-1248. You may email him at plannedgiving@wvdisciples.org



Legacies

Spring, 2009

Gift planning ideas for members and friends of the Christian Church (Disciples of Christ) in West Virginia

Charitable Gift Annuity can provide peace of mind

In these difficult economic times, individuals trying to live off their interest or earnings from their investments may be uneasy.

One way to get peace of mind is to convert the investments into a charitable gift annuity with the Christian Church Foundation that provides a guaranteed payment to the annuitant for life. The maximum payout rate is set by the American Council of Gift Annuities based on the annuitant's age when the gift annuity contract is issued. Those set payments will continue as long as the annuitant lives — regardless what the stock market does.

Individuals 70 and older find this an attractive way to not only provide them with steady payments in their older years, but a way to make a legacy gift to their favorite Disciples ministry. When the annuitant dies, what remains goes to the church cause(s) identified by the donor — their congregation, the Regional Church, a favorite mission effort, other specific Disciples causes, etc.

The donor wins and the church wins!

Not yet needing the income? A deferred charitable gift annuity provides a wonderful way to boost income in your retirement years. The deferred gift annuity works much like the standard one, except the annuitant defers starting the stream of payments until a future date — typically at retirement.

Many donors have found this to be a good retirement planning tool: If they already contribute the maximum amount to an IRA, they can put additional money into the deferred charitable gift annuity. While those funds do not bypass current income tax, the donor receives a charitable income tax deduction for a part of the gift.

For an informative brochure about how a charitable gift annuity or other giving instruments might help you give of yourself to the future ministries of the Christian Church in West Virginia, your congregation, and the ministries of the wider church, please contact Rev. David Chafin, at the Regional office, or Rev. Darwin Collins at the Christian Church Foundation at (800) 668-8016.

CCF Distributions reach \$7.2 Million

The Christian Church Foundation distributed \$7.2 million for ministry in 2008 from permanent funds, life-income gifts that matured and other donor-directed gifts.

“These dollars undergird the ministries of congregations, regions and other Disciples causes,” said the Rev. Gary Kidwell, Foundation president. “Yet this figure does not include the

millions of dollars in subject-to-withdrawal accounts, owned by Disciples ministries, which were distributed to those ministries to expand their own work and witness.”

Disciples Mission Fund, the general funding system for the Christian Church (Disciples of Christ), received more than \$1.2 million from permanent funds and donor-advised gifts. This figure is the largest distribution to the church's mission funding system in the Foundation's history.

Extend the Reach of Your Generosity Far Into the Future

Few things bring more joy to philanthropic people than making meaningful contributions to their favorite charitable organizations. All of us can relate to the satisfaction that comes from seeing our support make a difference for causes important to us.

One of the most important charities is the church — our local congregation, our region, our general ministries and the many other fine institutions and expressions that make up the Christian Church (Disciples of Christ).

While so often the term “stewardship” is linked with annual giving, many people have discovered

the added pleasure of knowing they can continue support the work of Christian mission and witness beyond their lifetimes.

How? They have arranged their affairs to make gifts that flow through the Christian Church Foundation at the end of their lives that either directly support their favorite church cause, or establish a permanent fund that distributes dollars to the donors’ cause(s) in perpetuity.



The Will: The Most Versatile Giving Tool

You may choose to do what literally millions of people have done: make a charitable bequest in your will. Gifts we receive through wills help ensure that the church will stay strong and move forward in the future. Our Christian faith was handed down to us from prior generations, and it is only right that we also undergird the church so that future generations will be able to experience the life-changing Gospel.

There are many benefits of making a charitable bequest:

- You can be sure your assets ultimately go to support causes important to you. Without your specific direction, none of your assets will pass to charity. Children or other heirs may decide to use some of what they receive to make charitable gifts in your honor and memory — but that is beyond the direct control you can exercise with a charitable bequest.
- Leave a legacy. Even if your annual budget provides for gifts, it may seem out of reach to make the size of gift you would like during your lifetime. Many of us need access to all of our assets or the income they generate. A gift

through your will can be the ideal way to realize larger charitable objective. And you can designate how you want us to use your gift. You may want to fund a special capital or programmatic project.

- Or you may want to create a permanent fund through the Christian Church in West Virginia that will support this ministry’s work. We welcome the opportunity to talk with you about how you can create an endowment to address your own specific interests.
- You may realize federal and/or state death-tax benefits. While federal estate tax can claim 45% of a decedent’s taxable estate above a certain threshold amount — \$3.5 million for 2009 — a charitable bequest can shield your estate from this tax and may reduce state death taxes as well.
- You can change your mind. Your will can and should be a dynamic document. You would ideally review your will anytime there is a significant change in life circumstances, such as a birth, death or divorce. As long as you are competent, you retain the power to amend or eliminate the provisions in your will.

Protect Your Beneficiaries: Don’t Let Estate Size Threaten Their Inheritance

There are many ways to structure a bequest that would benefit the Christian Church in West Virginia or another church entity. For instance, you can designate a specific asset or a specific dollar amount. Many of our friends find it is prudent to make a gift of a certain percentage of their estates.

Why? By making a gift of a percentage of your assets, you can guard against inadvertently diminishing provisions for other beneficiaries — and you can allow your gift to grow proportionally if your assets grow.

Example: Mary is thinking of making a gift of \$500,000 to a permanent fund in honor of her husband. Her estate is currently worth \$2 million, and she intends that her three children will divide the balance equally.

Under Mary’s current plan, if her assets shrink to \$1 million at the time of her death — perhaps

due to unforeseen expenses — her children will divide only \$500,000 (\$166,667 apiece) instead of the \$1.5 million she had contemplated. On the other hand, if her assets continue to grow and was valued at \$4 million at her death, the \$500,000 gift may be less than she would have liked to have made.

If instead Mary were to designate 25% of her estate to go to the permanent fund, the ministries of her choice would receive the \$500,000 she originally had in mind if the value of her assets remains essentially stable. But if the value were to change — either up or down — the value of the permanent fund’s interest would always stay in the same proportion to those of her children. If she wishes, Mary may include a provision that limits the total that the church entity can receive — for example, 25% but not to exceed \$____ (a chosen amount).

Retirement Plan Makes Good Charitable Gift

If you are planning an estate gift, funding that gift with retirement-plan proceeds can be an effective and creative tax-wise move. Directing funds to the Christian Church in West Virginia, your congregation, or other church entity, can actually result in income-tax savings for your other beneficiaries because such proceeds are often treated as taxable income to the recipient. Consequently, it generally is a good idea to leave the proceeds to a tax-exempt charity and leave other assets to family members.

For example, Karen has a gross estate of \$1 million, including an IRA account worth \$100,000. She would like the Christian Church in West Virginia to receive 10% of her estate and is planning to direct \$100,000 to us in her will and

her other assets to her niece Gloria.

When Karen learns that Gloria will be required to pay income tax on the IRA balance, she decides to leave the IRA to the Regional Church and the other assets to Gloria — saving Gloria as much as \$35,000.

	\$100,000 IRA to Gloria	\$100,000 IRA to Church
Gross to Gloria	\$900,000	\$900,000
Gloria’s income tax	\$35,000	\$0
Gloria’s net	\$865,000	\$900,000
Gross to Church	\$100,000	\$100,000
Income tax	\$0	\$0
Net to Church	\$100,000	\$100,000
Tax savings for Gloria	\$0	\$35,000

The easiest way to put this plan in place is to name the church or ministry as the beneficiary of the retirement plan by contacting the plan’s administrator.

Assets remaining in a retirement account typically avoid probate but are included in the owner’s estate for estate-tax purposes. Consequently, your charitable gift of either

an insurance policy or retirement-plan assets reduces the size of your taxable estate.