

# Charitable Remainder Unitrusts

*A gift to Duke that pays back*

A **charitable remainder unitrust (CRUT)** is a trust that pays you, and/or other designated recipients, an income for life or for a specified number of years. After that time, the balance of the trust is applied to the purpose you have designated at Duke. You can establish a CRUT during your life or through your estate (to provide for a loved one).

## BENEFITS

When you create a CRUT, you are eligible for a current income tax deduction for a portion of your gift. You may also be able to contribute appreciated assets to the trust without the immediate recognition of capital gains taxes when those assets are sold.

Additional advantages:

- Receive an income for you and your family.
- Establish a gift with as little as \$100,000.
- Enjoy charitable deductions and other tax-saving opportunities.
- Have assets managed by Duke, you, or your trusted advisor.
- Add to your CRUT at any time.

## HOW IT WORKS

A CRUT pays a fixed percentage of its balance each year to the income beneficiaries. This percentage must be at least 5%. Income payments are variable, depending on the performance of the trust's investments each year. If the trust principal grows, then the income payments grow along with it, providing a hedge against inflation. Likewise, if a CRUT's annual earnings do not meet its payout amount in a given year, the following year's payment will be less than the prior year.

While CRUTs are usually funded with gifts of cash or appreciated stock, it is also possible to fund CRUTs with assets such as real estate, artwork, and collectibles.

### Want to learn more?

Phil Buchanan, senior philanthropic counsel, describes how you can generate an income and make the most of your charitable contribution through a charitable remainder unitrust in this three-minute video. Click the video to watch, or visit [tinyurl.com/udvgpcru](https://tinyurl.com/udvgpcru).



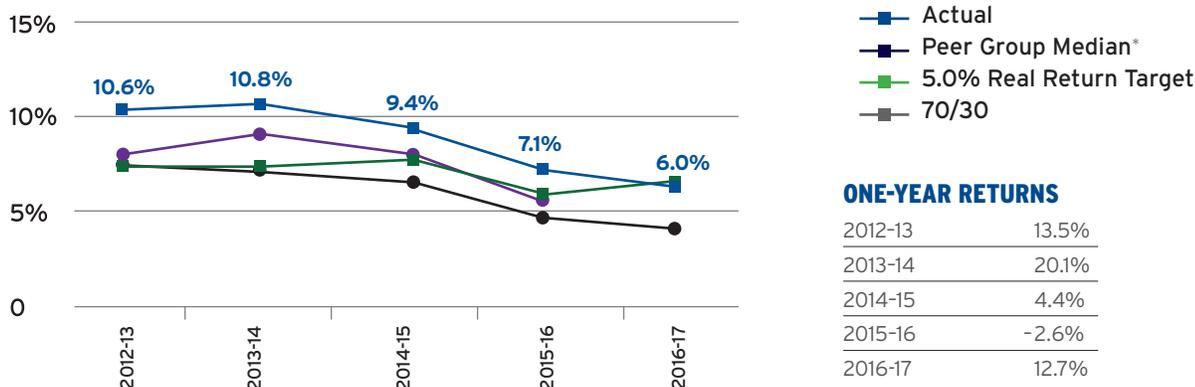


1. You make a gift to your CRUT.
2. Immediate charitable deduction *and* a variable annual payout for life or for a specified number of years.
3. At the end of the term, the remainder goes to the area of Duke most important to you.

**In most cases,** Duke can serve as the trustee of a CRUT. The university does not charge a fee for its service, but does pass along the costs of trust administration and tax preparation services, which are provided by Bank of New York Mellon Corporation (currently less than 0.7 percent). With Duke serving as the trustee, your CRUT may be invested to mirror the performance of the university's endowment or invested in other equity and fixed income funds.

### DUKE UNIVERSITY ENDOWMENT INVESTMENT PERFORMANCE

Ten-year Annualized Returns



#### ONE-YEAR RETURNS

2012-13	13.5%
2013-14	20.1%
2014-15	4.4%
2015-16	-2.6%
2016-17	12.7%

\*The Cambridge Associates Universe is a group of peer colleges and universities with endowment funds that are similar to Duke's, often managed by professional internal staff. The average annualized rate of return for the ten-year period ending June 30, 2017, will be posted online when it becomes available.

**Contact us for a personalized illustration** of the tax deductions and payout rate combinations available for you, based on your age and anticipated gift. If you would like to explore a gift that provides a fixed-dollar payment that will not fluctuate with the financial markets, a charitable gift annuity may be a more appealing alternative.

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## Make a gift with lasting influence.

Investing in Duke's future can yield invaluable returns to students, faculty, and the Duke community for generations to come. With the help of our expert team, your gift can also be part of your own charitable planning for the future.

### CONTACT US TODAY.

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 (919) 681-0464  
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[giving.duke.edu/giftplanning](http://giving.duke.edu/giftplanning)