

CHARITABLE GIFT ANNUITY

A gift to Duke that pays you back

A **charitable gift annuity** at Duke provides a fixed income for life in exchange for a gift of cash or stock. Gift annuities can be established to pay one or two people throughout their lifetime, which make them especially attractive arrangements for many individuals or couples who seek additional income. Plus, donors may receive an immediate income tax deduction in the year that the gift is made. After you pass away, the remainder of your gift annuity will be applied to the purpose you have chosen at Duke.

Benefits

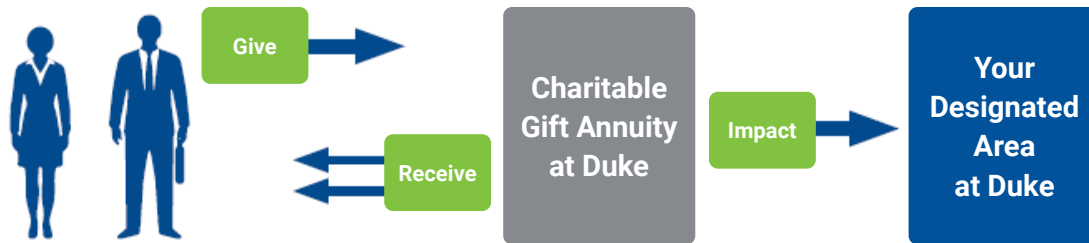
For you

- **Secure a source of fixed income** for you and/or your loved ones—a great arrangement for many individuals or couples. Payments can be scheduled as monthly, quarterly, semi-annual, or annual direct deposits to your bank account.
- **You may receive an immediate income tax deduction** in the year the gift is made and other tax-saving opportunities.
- **Establish a gift annuity with cash, stock, or transfer from an IRA.**
 - If funding with cash, part of each payment to you will be tax-free for a number of years.
 - If funding with appreciated stock, you can avoid tax on a portion of the appreciation.
 - If you are 70 ½ or older, you may be able to establish a gift annuity with assets from your IRA through a qualified charitable distribution (QCD). A QCD transfer is not typically subject to income tax. Some limitations apply. For example, this type of gift would not result in a charitable income tax deduction.

For Duke University

- **Contribute future support for Duke.** Ensure that Duke remains prepared to provide world-leading education, research and service well into the future.
- **Make an impact on multiple areas.** Direct your gift annuity to support the areas and programs at Duke that are most important to you.
- **Create or add to an existing permanent endowment** in your name or in memory of a loved one.

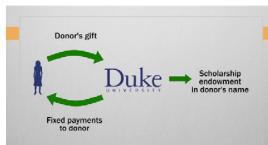
How it works



Give: You establish a gift annuity by transferring cash or stock to Duke.

Receive: You and/or your loved ones receive fixed payments for life. Plus, you would receive an immediate income tax deduction (unless you establish the gift annuity with a QCD from an IRA.)

Impact: Once the individuals receiving payments pass away, the remaining gift annuity balance supports the areas and purposes at Duke that you care about most.



Watch our ***Unwrapping Gifts: Charitable Gift Annuities*** video to see Jeremy Arkin, senior assistant vice president of gift planning, describe how a charitable gift annuity at Duke can help you prepare for the future. Visit bit.ly/ugvcgannuity or click to watch the 3-minute video.

How to get started

1. Contact Duke's Office of Gift Planning for your personalized gift annuity illustration.

Learn about the gift annuity payout rates and estimated tax deductions available based on your age, anticipated gift amount, and payment start dates.

Sample payout rates for gift annuities making payments to an individual or two individuals:

Individual	
YOUR AGE	GIFT ANNUITY RATES*
60	4.9%
70	5.9%
80	7.6%

Two Individuals		
YOUR AGE	YOUR PARTNER'S AGE	GIFT ANNUITY RATES*
68	70	5.1%
73	76	5.8%
77	82	6.4%

*Rates effective as of January 1, 2023

2. **Discuss this giving option with your personal advisors** to be sure it's the right fit for you.
3. **Establish your gift annuity at Duke** with a gift of \$25,000 or more of cash and/or securities.
4. **Receive an immediate tax deduction** (unless you establish the gift annuity with a QCD from an IRA) **and an income stream for life.**

Other gift options

Consider these other options that may help you meet your personal and financial goals. Contact us for more information.

For increased income and tax savings:

A **deferred charitable gift annuity** may be the right fit for a donor who does not need additional current income, but who is seeking a charitable tax deduction now and a strategic way to increase income in the future. When you establish this type of gift annuity, you choose a date in the future to receive your first payment. This deferral results in an increase in the annuity rate and an increased income tax deduction, which is still recognized in the year of your gift. This option is often used in retirement planning.

For flexible start date and immediate tax savings:

A **flexible charitable gift annuity** offers you a range of possible dates on which payments to you may begin. Under this flexible approach, you choose a start date when you are ready to begin receiving payments. The longer you defer payments, the larger your lifetime payments will be. You will still be eligible for a charitable income tax deduction in the year you make your gift.

For variable income:

A **charitable remainder unitrust (CRUT)** is a trust that pays you and/or other recipients an income for life or a designated period of time (up to 20 years) and ultimately benefits your favorite charities — like Duke! Unlike a charitable gift annuity, a CRUT provides a variable income that will increase or decrease based, in part, on the performance of the trust's investments. Duke may serve as trustee of a CRUT with an initial gift of \$100,000 or more.

For a charitable gift annuity established with a transfer from an IRA:

Donors who are 70 ½ or older may establish a charitable gift annuity with a **qualified charitable distribution (QCD)** from a traditional individual retirement account. This transfer would also count against the required minimum distribution for a donor over age 73. Payments must begin within one year of the gift, and a donor can only establish charitable gift annuities through QCD transfers during a single year during their lifetime. A charitable gift annuity established this way can benefit the donor and/or a spouse (not friends or other family) and would not provide an income tax deduction. There is an aggregate limit of \$50,000 per donor, though a married couple can contribute \$50,000 from their respective IRAs for a total of \$100,000. A QCD transfer is not typically subject to income tax; however the full amount of each annuity payment will be subject to ordinary income tax.

Connect with us to get started

Duke University's Office of Gift Planning has charitable planning professionals available to work with you and your financial advisors to explore charitable giving strategies that support your financial goals now and in the future.

EMAIL: giftplanning@duke.edu

PHONE: (919) 681-0464

WEBSITE: giving.duke.edu/giftplanning

BLOG: giving.duke.edu/blueprints

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