

IRA to Gift Annuity

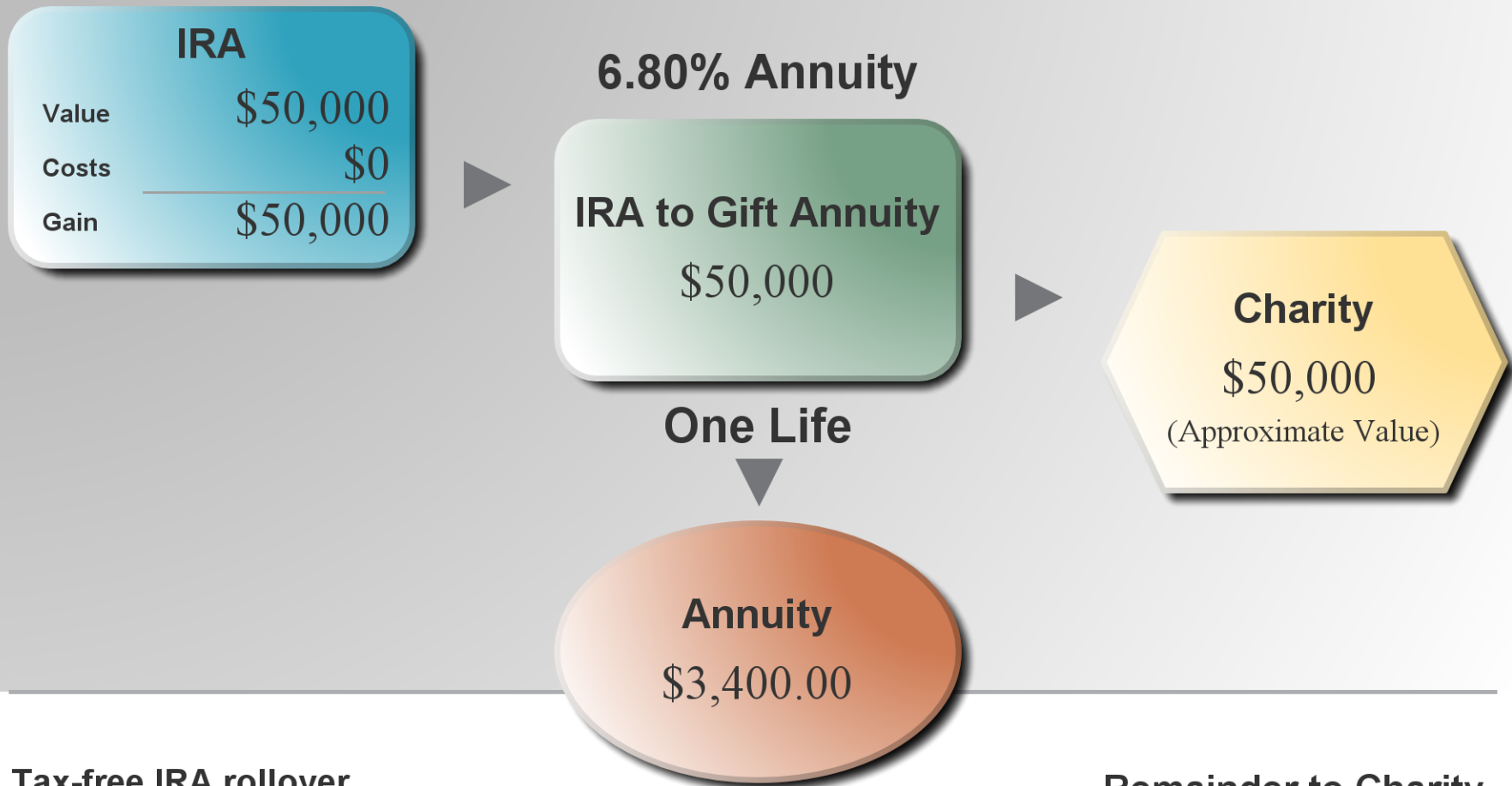
Prepared for
Kathleen Rehl

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IRA to Gift Annuity

Prepared For Kathleen Rehl (76)



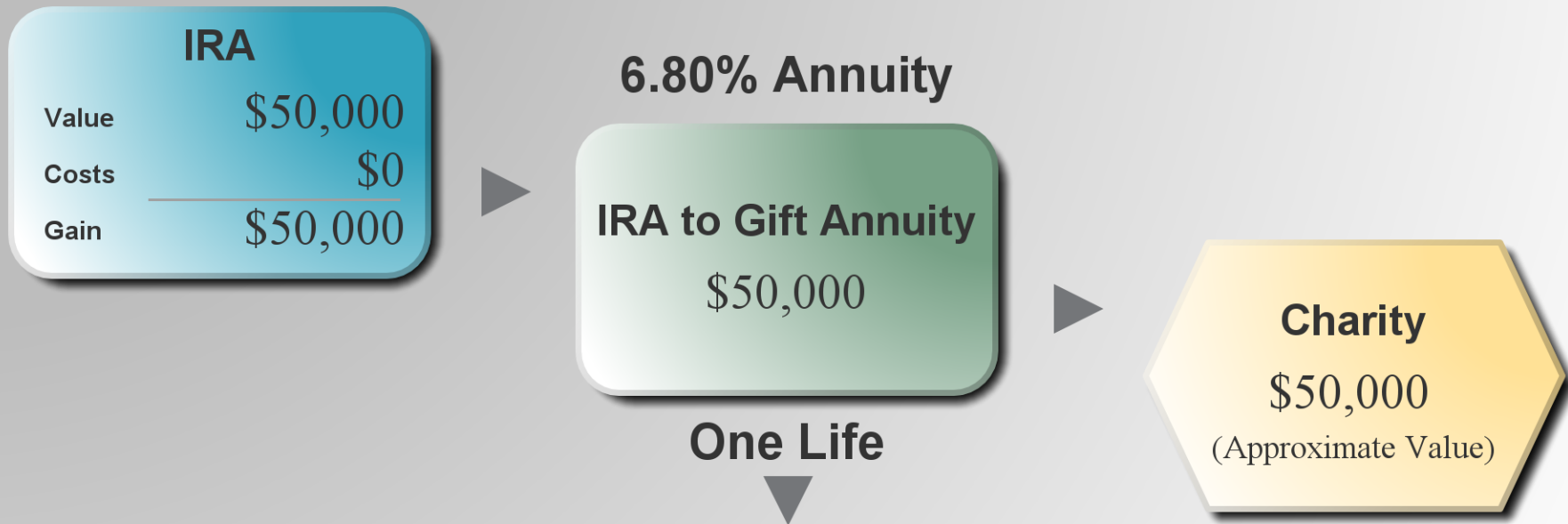
**Tax-free IRA rollover.
Ordinary income payouts
from gift annuity.**

Remainder to Charity

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IRA to Gift Annuity

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1. IRA for gift annuity. Tax-free IRA rollover. Ordinary income payouts from gift annuity.

2. Annuity of \$3,400.00 for one life. Tax-free amount \$0.00. Estimated one life payout of \$55,080.

3. Quarterly payments for one life. Property passes to charity with no probate fees. There are also no estate taxes.

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IRA to Gift Annuity

FIRST PERSON	Kathleen Rehl	AGE	76
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GIFT AMOUNT	\$50,000.00
CHARITABLE DEDUCTION	\$0.00
ANNUITY OF 6.800%	\$3,400.00
EXCLUSION RATIO	0.0%
EFFECTIVE ANNUITY RATE	6.8%

INCOME TAX INFORMATION

	QUARTERLY PAYMENT	ANNUAL TOTALS
Ordinary Income		\$3,400.00
Gain Payout		\$0.00
Tax Free		\$0.00
ANNUITY AMOUNT	\$850.00	\$3,400.00

This gift annuity makes fixed payments for one life. If you fund a one life gift annuity on January 31, 2023, the first \$558.52 payment will be made on March 31, 2023. After that date, there will be regular quarterly payments of \$850.00. The annual tax-free amount of \$0.00 continues until 2035.

IRA TO GIFT ANNUITY

The Charitable Gift Annuity is a combination of a gift to charity and an annuity. For senior persons, annuity rates may be 6%, 7% or even higher. With a traditional IRA to gift annuity rollover, the payments are taxable income. Fortunately, an IRA to gift annuity rollover may provide the annuitant with substantial fixed payments. These generous fixed payments are made for the life of the annuitant. After all gift annuity payments are completed, there will be a gift to the favorite charity of the traditional IRA owner.

IRA Rollover Benefits

There are attractive reasons for an IRA owner to consider a rollover to a charitable gift annuity. The IRA owner may no longer be comfortable with the stock market risk, since IRAs are invested in stocks and bonds. The IRA owner may prefer the fixed payouts from the gift annuity with no market ups and downs. In addition, the IRA owner might live for many years. Since the full assets of the charity stand behind the gift annuity, the IRA owner is secure in receiving the gift annuity payments for life.

IRA Rollover to a Gift Annuity

There are normally four steps in rolling over an IRA into a gift annuity. First, the IRA owner gives notice to both the IRA custodian and the charity that he or she plans to roll over the IRA to a gift annuity. Second, the IRA owner signs a gift annuity agreement with the charity and directs the IRA custodian to transfer the funds directly to the charity. Third, the IRA custodian then sends the IRA assets directly to the charity to fund the gift annuity. Fourth, the gift annuity is created and effective on the date of the IRA funds transfer. After receiving the IRA funds, the charity begins to make annuity payments.

Fixed Payments

Gift annuities are most attractive if you desire fixed payments. The annuity amount is fixed and will not change with current investment or market conditions. If you are planning for the future and desire fixed and reliable payments, a gift annuity is a great way to reach your goals. You enjoy both fixed payments and the satisfaction of making a gift.

IRA to Gift Annuity

Donor:	Gift Amount:	Gift Date:
Kathleen Rehl	\$50,000.00	01/31/2023
Beneficiary(ies)		
1st Person:(F)		Age
Kathleen Rehl		76
Cost Basis:	Payment Frequency:	Date of First Annuity Payment:
\$0.00	Quarterly	03/31/2023

Calculation		
Annuity Percentage:		6.8%
(A) Annual Annuity Payout		\$3,400.00 (A)
Gift Amt. x Annuity %		
(B) Factor		7.6553 (B)
(IRS Pub. 1457, Table S)		
AFR of the Month: <u>4.6%</u>		
(C) Adjustment for time of Payment		1.0171 (C)
(IRS Pub. 1457, Table K)		
End of Period		
1 Annual	1.0000	
2 Semiannual	1.0114	
3 Quarterly	1.0171	
4 Monthly	1.0209	
(D) Adjusted Factor		7.7862 (D)
Line(B) x Line(C)		
(E) Present Value of Annuity		\$26,473.08 (E)
Line (D) x Line (A)		
(F) Amount Transferred		\$50,000.00 (F)
(G) CHARITABLE GIFT VALUE		\$23,526.92 (G)
Reduced Deduction For Short Term or Ordinary Gain		\$0.00

01-01-2023 Annuity Rates

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Calculation		
(H) Unadjusted Expected Return Multiple (Reg.Sec. 1.72-9, Table V)	11.9	(H)
(I) Adjustment if Not Monthly (Reg.Sec. 1.72-5(a)(2))	-0.1	(I)
(J) Adjusted Expected Return Multiple Sec. 72 Exp.11.8 -- 2012 IAR Expectancy 16.2	11.8	(J)
(K) Expected Return Line (J) Times Line (A)	\$40,120.00	(K)
(L) Exclusion Ratio Line (E) Divided By Line (K)	0.0%	(L)
(M) Amt Excluded From Ordinary Taxation Exclusion Ratio Times Annuity Line (L) Times Line (A) (I.R.C. Sec. 72(b)(3))	\$0.00	(M)
(N) Basis Allocated to Annuity Basis Times Line (E)/GIFT	\$0.00	(N)
(O) Gain Allocated to Annuity Line (E) Less Line (N)	\$0.00	(O)
(P) Gain Each Year Line (O) Divided By 11.8 (Not to Exceed Line (M); Assumption: Separate Prop. of First Ben.) (Reg.Sec. 1.1011-2(a)(4))	\$0.00	(P)

SUMMARY OF ANNUITY			
CHARITABLE DEDUCTION			\$0.00
EXCLUSION RATIO			0.0%
INCOME TAX	PRO RATA 1ST PAYMENT	EACH PAYMENT	ANNUAL
Ord. Income	\$558.52	\$850.0000	\$3,400.00
Gain	\$0.00	\$0.0000	\$0.00
Tax Free	\$0.00	\$0.0000	\$0.00
Annuity Amt	\$558.52	\$850.00	\$3,400.00

Payout Option: Standard Payment

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Charitable Gift Annuity - Income Taxation

Kathleen Rehl

*GAIN - 0.0% Long T./0.0% Short T./100.0% Ordinary

TOTAL AMOUNT: \$50,000.00

Annuity: **\$3,400.00**

Charitable Gift: (Reduced) **\$0.00**

Gain*: **\$0.00**

Basis: **\$0.00**

Years	ORDINARY INCOME	TOTAL GAIN PAYOUT	TAX FREE RETURN	CUMULATIVE CAPITAL GAIN	CUMULATIVE TAX FREE
2023	\$3,108.52	\$0.00	\$0.00	\$0.00	\$0.00
2024	3,400.00	0.00	0.00	0.00	0.00
2025	3,400.00	0.00	0.00	0.00	0.00
2026	3,400.00	0.00	0.00	0.00	0.00
2027	3,400.00	0.00	0.00	0.00	0.00
2028	3,400.00	0.00	0.00	0.00	0.00
2029	3,400.00	0.00	0.00	0.00	0.00
2030	3,400.00	0.00	0.00	0.00	0.00
2031	3,400.00	0.00	0.00	0.00	0.00
2032	3,400.00	0.00	0.00	0.00	0.00
2033	3,400.00	0.00	0.00	0.00	0.00
2034	3,400.00	0.00	0.00	0.00	0.00
2035	3,400.00	0.00	0.00	0.00	0.00
2036	3,400.00	0.00	0.00	0.00	0.00
2037	3,400.00	0.00	0.00	0.00	0.00
2038	3,400.00	0.00	0.00	0.00	0.00
2039	3,400.00	0.00	0.00	0.00	0.00
2040	3,400.00	0.00	0.00	0.00	0.00
2041	3,400.00	0.00	0.00	0.00	0.00
2042	3,400.00	0.00	0.00	0.00	0.00
2043	3,400.00	0.00	0.00	0.00	0.00
2044	3,400.00	0.00	0.00	0.00	0.00
2045	3,400.00	0.00	0.00	0.00	0.00
2046	3,400.00	0.00	0.00	0.00	0.00
2047	3,400.00	0.00	0.00	0.00	0.00
2048	3,400.00	0.00	0.00	0.00	0.00
2049	3,400.00	0.00	0.00	0.00	0.00
2050	3,400.00	0.00	0.00	0.00	0.00
2051	3,400.00	0.00	0.00	0.00	0.00
2052	3,400.00	0.00	0.00	0.00	0.00
2053	3,400.00	0.00	0.00	0.00	0.00
2054	3,400.00	0.00	0.00	0.00	0.00
2055	3,400.00	0.00	0.00	0.00	0.00
2056	3,400.00	0.00	0.00	0.00	0.00
2057	3,400.00	0.00	0.00	0.00	0.00
2058	3,400.00	0.00	0.00	0.00	0.00
2059	3,400.00	0.00	0.00	0.00	0.00
2060	3,400.00	0.00	0.00	0.00	0.00
2061	3,400.00	0.00	0.00	0.00	0.00
2062	3,400.00	0.00	0.00	0.00	0.00

Note: Tax-Free return of basis not recovered by date of death may be deducted on last income tax return. See IRC Sec. 72(b).

Life Expectancy is 16.2 years.

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