

# GIVING *and* RECEIVING

*A Gift Plan that Pays You  
an Annuity for Life*



**St. Jude Children's  
Research Hospital**

IAHSAC • Danny Thomas, Founder



This booklet was prepared exclusively for friends of St. Jude Children's Research Hospital® to provide information about ways to support our life-saving mission of finding cures and saving children—while also securing your financial future.

Danny Thomas, our founder and a man of great vision, had a dream that “no child should die in the dawn of life.” Because of the heartfelt support of friends like you, we are able to work toward the realization of Danny's dream and bring hope to countless children and their families.

Inside you'll learn how you can make your own contribution to achieving Danny's dream for future generations by putting your values into action today.

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## What Is a Charitable Gift Annuity?

The word annuity, according to Webster's Dictionary, means "a sum of money payable yearly or at other regular intervals."

A St. Jude *charitable gift annuity* allows you to receive regular, fixed payments from St. Jude when you make a meaningful gift to support our life-saving work. Does this sound too good to be true? Well, it's not.

In return for your gift of cash or securities, St. Jude will pay you a fixed amount for the rest of your life. The amount will *never* change. And, charitable gift annuities offer attractive payment rates.

Whether you have already retired or are planning now for future retirement, gift annuities are a great planning tool worth considering. The minimum amount to establish a St. Jude gift annuity is \$10,000.

The St. Jude charitable gift annuity is a wonderful way to make a difference in the life of a catastrophically ill child while enjoying income and tax benefits that can also enhance your financial security.



## The Charitable Gift Annuity Quiz

Take this simple quiz to determine — in less than two minutes — whether a charitable gift annuity is a smart decision for you.

- ✓ Are you looking for ways to use your current financial assets to plan for a secure and abundant retirement?  
 Yes    No    Not sure
- ✓ Would you like to minimize the size of your taxable estate and possibly reduce estate taxes for your heirs?  
 Yes    No    Not sure
- ✓ Would you or a family member benefit from receiving annual income payments that are guaranteed never to decrease?  
 Yes    No    Not sure
- ✓ Do you want to accomplish something more meaningful with your money than just earning more interest?  
 Yes    No    Not sure

If you answered "yes" or "not sure" to two or more of the above questions, then a St. Jude charitable gift annuity may be right for you. Return the enclosed form today or contact us at (800)395-1087 to speak with your personal St. Jude representative and discuss next steps.

## *It's as Simple as* **1, 2, 3**

While the term 'charitable gift annuity' might sound technical and complicated, it's really as simple as 1, 2, 3.

- 1. You make a gift of cash or securities to St. Jude and establish a simple gift annuity contract.**
- 2. In return, St. Jude provides fixed payments for the rest of your life to you or any person you choose.**
- 3. You receive an income tax deduction this year and your significant contribution will be used to support St. Jude's critical mission.**

### **Here's an example:**

Mrs. Fisher is 81 and has \$25,000 invested in a CD earning just over 5 percent interest. Last month, instead of renewing the CD, she donated the \$25,000 to St. Jude to create a charitable gift annuity. That same \$25,000 now earns her 8.3 percent, and she will continue to receive payments for the rest of her life. And because the charitable gift is deductible on her federal income taxes, she will be able to save more than \$2,000 on her tax bill this year. Best of all, Mrs. Fisher is very satisfied that her money is making a difference.

## *Ways to Fund Your St. Jude Charitable Gift Annuity*

There are a variety of ways to fund a charitable gift annuity but the two most common are cash and gifts of appreciated securities.

### **Cash**

Contributing cash assets to St. Jude in the form of a gift annuity is the simplest way to make your donation. Simply send a check, wire transfer funds or charge your credit card to make your gift to St. Jude.

### **Stock/Appreciated Securities**

Funding a gift annuity with appreciated property can be a good way to reduce exposure to capital gains taxes. If you own stock with significant paper profits, selling it will result in high capital gains. If you instead use that stock to fund your charitable gift annuity, you will avoid capital gains taxes on the part of the stock that is considered a gift. The rest of the capital gain will be spread over the years that you receive annuity payments.

Other options for funding your annuity include CD rollovers, Savings Bond alternatives, and IRA and ROTH IRA rollovers. Please consult your tax advisor or call us at (800)395-1087 to discuss the right options for you.

## *Five Reasons to Consider a Charitable Gift Annuity*

### **1. Earn Attractive Payment Rates**

Gift annuity rates continue to be extremely attractive. Most nonprofit organizations offer rates recommended by the American Council on Gift Annuities. These rates range depending on your age and whether the annuity is for one life or two.

### **2. Lower Your Taxes**

Charitable gift annuities offer significant tax breaks the year of the gift and in subsequent years.

### **3. Receive Payments that **Never** Go Down**

The amount paid to you is determined by your age at the time the annuity is funded and will never change. Payments will continue regardless of how long you live or market fluctuations. Donors often initiate a new annuity on each birthday, since the rate has risen along with their age.

### **4. Provide Income for Others**

Charitable gift annuities are flexible and can be set up so that payments are made to you or up to two other beneficiaries. They offer a creative way to use your assets to improve the long-term financial needs of a family member or special friend.

### **5. A Chance to Save Lives**

Give lasting hope to children fighting childhood cancer and other catastrophic diseases by funding the research and care that makes their future possible.

## *People Are Talking about the St. Jude Charitable Gift Annuity*

"I see my St. Jude Gift Annuities as a way to make gifts that I am absolutely certain will be used wisely."



*Carmen Caruana*

"I was familiar with the concept of commercial annuities through my work in the insurance industry, but a charitable gift annuity provides financial support for St. Jude as well as providing a lifetime income for us."



*Tom and Eleanor Hicks*

## Why Invest in St. Jude?

Investing in our mission through a charitable gift annuity is a positive and rewarding experience. Since opening our doors in 1962, St. Jude has earned an impeccable reputation. We're determined to keep our reputation strong, so you can be confident that your charitable gift annuity will be handled with the highest degree of care. The St. Jude Charitable Gift Annuity offers:

### Peace of Mind

You invest with people you trust and your payments are backed by all of St. Jude's assets.

### Fixed Payments

Your payments are guaranteed not to change, no matter the state of the economy.

### Security

Your payments will never stop for the rest of your life — you cannot outlive them.

### Convenience

Each January, we'll mail you the forms you need for tax filing.

In addition to an attractive return on your investment, don't forget that your St. Jude Charitable Gift Annuity is ensuring a brighter future for children battling cancer and other catastrophic diseases.

## Frequently Asked Questions

### **Q:** What is a Charitable Gift Annuity?

**A:** A charitable gift annuity is a simple agreement between you and St. Jude. In return for your donation, St. Jude agrees to make fixed payments to you and/or another person you designate, for life, at attractive payment rates.

### **Q:** Is there a minimum amount or age required to establish a charitable gift annuity?

**A:** **Yes.** St. Jude has a \$10,000 minimum amount to fund a gift annuity. However, it is not uncommon for donors to invest \$100,000 or more. The minimum age is 55.

### **Q:** Is it true that the older the beneficiary is the higher the payments will be?

**A:** **Yes.** St. Jude, like most other nonprofit organizations, follows the gift annuity rates recommended by the American Council on Gift Annuities. The rates are based on age: the older the beneficiary, the higher the rate.

### **Q:** Do my payments change based on the stock market or interest rates?

**A:** **No.** The payment amount is locked in based on your age when you make the gift and it will never change once the payments begin — that's guaranteed.

**Q:** Can I have more than one gift annuity?

**A:** Yes. Many people establish additional gift annuities each year as they become eligible for higher rates based on their age. Once you have established your first annuity with St. Jude, subsequent annuities can be created with a smaller investment — as little as \$5,000.

**Q:** Can a gift annuity be a good way to provide an income for a surviving spouse?

**A:** Yes. Many couples create gift annuities that will make payments for as long as *either* of them lives.

**Q:** Who can benefit from a “two life” gift annuity?

**A:** Any two people may establish an annuity contract together. They need not be related.

**Q:** I would like my sister to receive the income from my annuity. Is that possible?

**A:** Yes. A gift annuity is a wonderful way to honor or help a friend or family member.

**Q:** What exactly is a deferred gift annuity?

**A:** A deferred payment gift annuity is designed to appeal to our younger donors since it involves the current creation of an annuity with all of the tax benefits in exchange for payments starting at a future date — usually at retirement.

**Q:** What Should I Do Next?

**A:** Just let us know you’re interested! One of our staff will be happy to talk with you and provide you with a proposal to show you exactly what the annuity rate and tax benefits would be in your situation, and to answer any questions you may have.



## Information Request Form

**Yes!** Please send me a proposal showing how I can benefit from a St. Jude Charitable Gift Annuity.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
City State Zip

\_\_\_\_\_  
Phone (Day) Phone (Evening)

\_\_\_\_\_  
E-mail (if you would like to receive your information via e-mail)

Please send me a proposal using the following information:

Me only; my birthday is \_\_\_/\_\_\_/\_\_\_

Me and a second person; our birthdates are:

Me: \_\_\_/\_\_\_/\_\_\_

Second person: \_\_\_/\_\_\_/\_\_\_

Donation Amount \$ \_\_\_\_\_

Please send me multiple examples based on the following additional gift amounts:

\$ \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_

I have included St. Jude in:

my will or  other long-range estate plans.

I would like to receive additional information about including St. Jude in my will.

## How Do I Get Started?

If you would like to know the exact benefits you could receive, simply pick up the phone right now and call us toll-free at (800)395-1087. We have staff available to answer your questions and help you determine if a charitable gift annuity is a good option for you.

We will be happy to provide you with a Custom Benefits Illustration showing how a charitable gift annuity would work for you based on your age, donation amount and income tax rate, at no obligation.

Why not make the call today? The call is free and you are under no obligation whatsoever. We look forward to talking with you.

**By phone:** (800)395-1087

**By email:** annuityinfo@stjude.org

**By mail:** Use the enclosed reply form and postage-paid envelope

For more information, visit us online at:  
**www.stjudelegacy.org**

**Please return the reply form to:**

Brenda Abshure  
St. Jude Gift Planning  
501 St. Jude Place  
Memphis, TN 38105-1942  
or call us today at (800)395-1087  
to get started right away.

**Thank you for your support!**





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