

Bequests May Include:

Life Income Gifts

A donor can make a gift to the Mesa Historical Museum and receive immediate financial benefits, including a lifetime stream of income and a charitable income tax deduction. There are several gift options to choose from, such as charitable gift annuities, deferred gift annuities and charitable remainder trusts.

Summary of Financial Benefits:

- A stream of income for the lifetime of the donor, and, if desired, a second beneficiary (usually a spouse)
- A charitable income tax deduction
- Reduction of capital gains tax on gifts of appreciated property
- A reduction in federal estate taxes

Charitable Gift Annuity

A charitable gift annuity is a contract between the donor and Mesa Historical Museum that provides advantages for both parties. A charitable gift annuity is a solid investment in the Mesa Historical Museum's future as it forms a valuable part of our growing endowment. A charitable gift annuity may be funded with cash or securities.

The interest paid to you periodically is based on your age and the age of a second party, if any. These rates are set by the American Council on Gift Annuities. Mesa Historical Museum and most other charities follow the rates suggested by the Council.



For more information,
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The information in this brochure is not intended as legal, financial or tax advice. Please consult with your personal legal, financial, and tax advisors before completing a planned gift. The Mesa Historical Museum is a 501c3 tax exempt organization 23-7212637

Leaving a Lasting Legacy...

*Mesa Historical
Museum*



One way you can express your commitment to the Mesa Historical Museum is through planned giving. Once you have provided for loved ones in your will, you may want to include a gift of money, stock or property to the Mesa Historical Museum. Your gift will be a lasting tribute to your concern for the preservation of local history.

Your gift can be an important investment for you and your family, as well as for the future of the Mesa Historical Museum.

Planned giving can be structured to generate income for life, yield substantial income tax deductions, convert low-yielding assets into a higher income stream while avoiding or lowering capital gains taxes and reduce or eliminate estate taxes.

In these and other ways, charitable planned giving becomes an integral part of overall asset planning for you and your family. These gift plans are effective and attractive because they are flexible and can be tailored to your unique circumstances and needs.

Deferred Charitable Gift Annuity

A deferred charitable gift annuity is similar to a charitable gift annuity except the initial interest payment to you is deferred to a future date. You may defer payments to years when additional income is needed, such as retirement. Because the periodic payments are deferred, the initial tax deduction is higher than a regular charitable annuity and the interest rate is also higher. Like the regular annuity, the minimum principal amount is \$20,000.

Summary of Financial Benefits:

- Fixed periodic payments for life, a portion of which is non-taxable each year
- Charitable income tax deduction for a portion of the principal amount
- Reduced capital gains tax if funded with appreciate securities

Charitable Remainder Trusts

A charitable remainder trust is a personal management plan that can provide a lifetime income and a charitable tax deduction to the donor. The donor selects the trust payout rate which gives the donor and a spouse or other beneficiary, an annual income for life. The higher the payout rate selected, the lower the income tax deduction. If the trust is funded with appreciated property, all capital gains tax is avoided on these assets.

Following the death of the donor, and any secondary parties, the remainder of the trust principal is transferred to the Mesa Historical Museum. Multiple charities can be named to share in the distribution of a trust. The remainder amount can be designated for specific programs or can be an unrestricted gift. Usually, these trusts are funded at a minimum amount of \$100,000; however, trusts of smaller amounts may be possible.

There are two types of charitable remainder trusts:

- the Annuity Trust
- the Unitrust

The Charitable Remainder Annuity Trust:

- Pays a fixed dollar amount for the lifetime of the donor and any other beneficiaries based on the initial payout rate selected by the donor
- Does not allow additions to the trust principal after the initial funding of the trust
- Is best for donors who seek a regular, fixed income and who prefer to know the exact amount of all future payments
- Is an excellent vehicle to fund with highly appreciated securities or other high appreciated easily marketable property

The Charitable Remainder Unitrust:

- Pays a variable dollar amount for the lifetime of the donor and any other beneficiaries based on a percentage of the annual market value of the trust assets
- Has its market value determined annually to calculate the amount to be paid to the donor
- Results in larger annual payment when trust assets increase and lower annual payments when trust assets decrease
- Allows for additions to the trust principal at any time during the life of the trust
- Is best for donors who have the ability to withstand variable payments in exchange for the possibility of higher total payments over the life of the trust
- Is an excellent vehicle to fund with highly appreciated securities or other appreciated easily marketable property

Summary of Financial Benefits:

- Lifetime income based on a donor selected payout rate when the trust is established
- The ability to select fixed or variable income payments depending on donor circumstances
- Charitable tax deduction at the time the trust is funded
- The complete avoidance of capital gains tax on appreciated assets used to fund the trust
- Possible estate tax benefits
- The ability to leave significant assets to one or more charities on the death of the donor and any other beneficiaries