

## THE NEED

A donor wants to make a gift to their church or a Christian ministry.

## THE SOLUTION

Donor and MBF enter into a charitable gift annuity agreement.

## THE BENEFITS

### **Fixed Payments for Life**

Fixed payments to one or two individuals for life.

### **Tax Free Payments**

A portion of each payment may be tax free.

### **Rates by Age**

Payout rates are based on the annuitant's age.

### **Tax Deduction**

Donor receives a federal income tax deduction.

## THE DONOR

Person who desires fixed payments for life. Beneficial for persons with cash or appreciated property that produces little or no income.

# MBF Gift Annuity

An agreement through which a donor makes a gift of cash or property and MBF agrees to make fixed payments for one or two individuals.

The remaining value of the gift is used by MBF to support the donor's church or another Christian ministry selected by the donor.

## THE DETAILS

A Charitable Gift Annuity (CGA) is a contract between a donor and MBF. In exchange for a gift of cash or property, MBF agrees to make fixed payments to the donor for the remainder of his or her life.

### *Duration*

A donor gives cash or appreciated property to MBF. In exchange, MBF makes fixed payments for the lifetime(s) of one or two individuals.

### *Timing*

A Gift Annuity contract can begin making payments immediately (a Current Gift Annuity) or defer payments for at least one year (a Deferred Gift Annuity).

### *Payout Rate*

Gift Annuity payments are based on a rate schedule. MBF follows rates suggested by the American Council on Gift Annuities (ACGA). Under the ACGA's rates, the older the age of the person receiving the gift annuity payments, the higher the rate.

### *Taxation of Payments*

A predetermined portion of each gift annuity payment is tax free, and the remaining amount of each payment is taxable at either capital gain or ordinary income tax rates.

