

What are Gift Annuities?

Are you looking for secure sources of fixed income for now or future retirement? If you are like many individuals who own appreciated securities, you are tired of the fluctuating stock market. You recognize that if you sold your appreciated assets, you would face a high capital gains tax. Also, you want to make investments that are secure today and in the future.

There is a solution, a plan that provides you with fixed income for life, avoids capital gains tax and leaves a lasting gift to our organization. This plan is a **Charitable Gift Annuity**.

A Charitable Gift Annuity is a contract between you and us. You can transfer your appreciated assets to us in exchange for our promise to pay you fixed income for your life. The income can be quite high, depending on your age, and a portion of your income stream may even be tax-free. Best of all, you will receive a charitable deduction for the value of your future gift to us, plus the satisfaction of contributing to a worthy cause.

Gift Annuity Options

There are excellent options for establishing a Charitable Gift Annuity. For current income, you may transfer assets for a fixed income beginning as early as this year. Perhaps you are not ready to begin receiving income until a fixed retirement date. You can establish a **Deferred Gift Annuity**, take your charitable deduction now and then plan to receive payments at a designated future date.

Current Gift Annuity Donor

Elizabeth purchased stock years ago for \$2,000. The stock appreciated substantially to \$20,000. Elizabeth was nearing retirement and seeking a secure source of future income. Because of the fluctuating markets, she desired to sell her stock. However, she wanted to avoid paying high capital gains taxes. As an active volunteer, she hoped to make a significant gift this year. Elizabeth called our organization and discovered that she could transfer her stock in exchange for almost 8% fixed annuity payments, based on her age. Elizabeth could begin receiving income now, take a current charitable deduction and avoid capital gains tax on the gift. Best of all, a portion of her income would

be tax-free. Elizabeth decided to transfer her appreciated stock in exchange for the gift annuity, and was delighted with the resulting lifetime fixed payments.

Deferred Gift Annuity Donor

David was an executive in resort management. He recently sold a rental property and was looking to invest the \$50,000 cash proceeds from the sale. He enjoyed the challenge and responsibility of his job and was not ready to retire, but was interested in investment options that would provide income for the future. David wanted to make a special gift to help us further our work. Our gift planner told David that a Deferred Gift Annuity would meet his goals. David could fund a Deferred Gift Annuity and receive an immediate charitable tax deduction. He could begin taking payments at a fixed date in the future, or be flexible with his retirement date. David decided to set up the Deferred Gift Annuity and received an immediate charitable tax deduction.

How to Make a Gift Annuity

Several types of assets may be gifted in exchange for a Charitable Gift Annuity;

Cash

A cash gift is an excellent way to fund a gift annuity. A large portion of the annuity income will be tax-free.

Appreciated Securities

You may be able to reduce capital gains tax on a gift of appreciated securities to fund a gift annuity. Payouts can be high, depending on age. A portion of the income stream will be taxed at the lower capital gains rate, and another portion may be tax-free.

Please contact us to discuss payment options for your gift annuity.

For Additional Information:

Thank you for your interest. The Office of Gift Planning welcomes the opportunity to assist you as you consider purchasing a Charitable Gift Annuity to benefit any of the Masonic Charities of the Grand Lodge of Pennsylvania.

Depending on your circumstances, you may find a gift annuity with one of the Masonic Charities to be an ideal way for you to realize important personal, as well as charitable, objectives. We also welcome the opportunity to meet with you and your advisors to discuss this very popular method of giving.

For more personalized information regarding the benefits of a gift annuity, at no cost or obligation, please contact the Office of Gift Planning in your area:

Central Region (717) 367-1121, ext. 33460,
or toll-free at (800) 599-6454

Western Region (412) 741-1400, ext., 3011,
or toll-free at (866) 872-0664

Eastern Region (610) 825-6100, ext. 1348

Out-of-State (800) 599-6454



Visit our Website:

www.pagrandlodge.org/giving

The information contained in this brochure is provided for educational purposes and does not represent legal advice or opinion.

The official registration and financial information for any of the Masonic Charities can be obtained from the Pennsylvania Department of State by calling toll-free, within Pennsylvania, (800) 732-0999. Out-of-State residents may contact the Gift Planning Office at 1-800-599-6454 for registration information in their particular state. Registration does not imply endorsement.

A Guide to Charitable Gift Annuities

For the **Masonic Charities**
of the **Grand Lodge of Pennsylvania**



CONSIDER THE FOLLOWING SAMPLE PAYMENT RATES:

One-Life		Two-Life	
Age	Rate	Age	Rate
70	6.7%	70 & 75	6.3%
75	7.3%	75 & 80	6.8%
80	8.2%	80 & 85	7.5%
85	9.7%	85 & 90	8.6%
90+	11.5%		

*Rates reflect changes recommended by the Office of Gift Planning for all Charitable Gift Annuities written on or after July 1, 2006. Some restrictions apply. Please contact the Office of Gift Planning for current rates.

Benefits

- Payments partially tax-free for a period of time
- Federal income tax charitable deduction
- Favorable capital gains treatment possible when annuity is funded with long-term appreciated stock
- Satisfaction in the knowledge that you have provided a future gift that will strengthen and enhance the important work of the Masonic Charity you have selected, making a difference in the lives of others

What are the Masonic Charities and who do they serve?

The Masonic Charities are 501(c)(3) charitable organizations owned and operated by the Grand Lodge of Pennsylvania, and are the means whereby the Grand Lodge extends the benevolence of Freemasonry to men, women and children of all ages, means and circumstances, Masons and non-Masons, across the Commonwealth of Pennsylvania, throughout the United States and beyond. They include the following:

Masonic Temple-Library and Museum of Pennsylvania in Philadelphia

Its collection of books, documents, manuscripts, artifacts and photos can assist a person with navigating through the extensive history of Freemasonry within Pennsylvania, as well as its impact on our nation. Visitors can explore the magnificent architecture found inside and outside of the historical and majestic Masonic Temple, which Masons and non-Masons alike can appreciate.

The Masonic Villages

Much more than just retirement communities, we care for our seniors through our five Masonic Villages, where they receive medical care, social support, companionship and peace of mind. To the benefit of Masons, widows and their loved ones, the Masonic Villages continue to provide care to residents, even if they should become unable to pay for their services.

The Masonic Children’s Home

Opens the doors of opportunity and a chance to build a better life by providing a nurturing environment for up to 40 kids in need of care and guidance. They receive an education, necessities, friendship and hope for the future. In turn, they become well-rounded contributors to society, and often, the fraternity.

The Pennsylvania Masonic Youth Foundation

Provides leadership to the Order of DeMolay, Order of Job's Daughters and Order of the Rainbow for Girls. We ensure a brighter tomorrow by investing in our youth, providing character-building opportunities and support from mentors and trusted friends. We offer educational programs, service projects and award several scholarships each year. Within the community, the foundation sponsors the Children Identification Program (CHIP), as well as hosts training for Drug Abuse Resistance Education (D.A.R.E.) officers on its campus.

The Masonic Charities Fund

Supports funding operations and equipment purchases for The Masonic Library and Museum of Pennsylvania, as well as the restoration and preservation of the Masonic Temple. As needs present themselves, the fund supports scholarships and disaster relief across the globe, to Masonic or non-Masonic recipients.



Yes, I want to make a difference...

Please check all that apply and return to:

**Masonic Charities
Office of Gift Planning
One Masonic Drive
Elizabethtown, PA 17022**

**or call toll-free
(800) 599-6454**

Please send the following information:

- Gift Annuity sample illustration based on the following information:
Age(s): _____ Amount: \$ _____
- Please contact me for an appointment to discuss a possible Gift Annuity with a Masonic Charity.
- Information about the Franklin Legacy Society.
- I/we already have included a Masonic Charity in my/our Will or Estate Plan.
Please specify Charity _____
(optional)

Name

Address

City

State _____ Zip _____
()

Telephone

E-mail

Lodge or Chapter Name & Number