



# Charitable Gift Annuities

Of all the gifts that pay you back, the gift annuity may be the simplest and most popular life-income gift.

## This gift is for you, if:

- » You're considering a lifetime gift in partnership with Sacramento State
- » Your planning objective is increased income
- » Your investment preference is the stability of fixed-income payments

## How it works:

- » You contribute your gift directly to the University and we agree to pay you a fixed amount for life. You know up front how much you will receive in return for your gift.
- » A charitable gift annuity is easy to create. The gift agreement is a simple contract between Sacramento State and you.
- » Gift annuities generally pay a higher income rate than other life-income gifts.
- » A charitable gift annuity may be funded with a gift of \$10,000 or more.
- » You receive a charitable income tax deduction when you create a gift annuity, based on the fair market value of the assets you contributed minus the present value of the life-income interest you retained.
- » After the death of the last annuitant, the balance remaining in your gift annuity will be available for the use you designated when you created your gift annuity.

## Tax considerations

If you fund your charitable gift annuity with appreciated securities, no upfront capital gains tax is payable. You can contribute appreciated but low-yielding assets and put the entire amount of your gift to work, earning income for you. Only a portion of your capital gain will be reportable, and the tax will be spread out over your annuity payments.

Another tax benefit of a gift annuity is the treatment of your income payments: part of each payment will be treated as the tax-free return of principal. This increases the effective yield of a gift annuity and is not available on other types of life-income gifts.

## How do you create a charitable gift annuity?

Setting up a charitable gift annuity is relatively simple, but you should consult with an attorney with expertise in the area of charitable gifts and estate planning. We will provide a draft of the gift annuity agreement for review by you and your attorney, and will help you transfer cash or securities when you make your gift.

## Sacramento State Fast Facts

- » More than 55 percent of recent graduates call themselves First-Generation college students, because they are the first generation of their families to graduate from college.
- » More than 80 percent of recent Sacramento State graduates say their professors were enthusiastic and genuinely enjoyed teaching.
- » One in 26 Capital Region residents is a Sacramento State alumnus.
- » About 36 percent of our students volunteer each year. One-third of them devote at least 10 hours per week.
- » We have one of the largest cooperative education programs in California.
- » Almost 700 new schoolteachers graduate from Sacramento State every year.
- » Sacramento State, in cooperation with UC Santa Barbara, has the only public history doctorate program in California.
- » About 750 international students from 80 countries study at Sacramento State, while about 250 of our students study abroad in more than two dozen countries.

### FOR MORE INFORMATION

E-mail us at [giving@csus.edu](mailto:giving@csus.edu) or call (916) 278-6989 so that we can assist you through every step of the process.

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