



How Gail Saved for Her Retirement

Sometimes planned giving is viewed mistakenly as being exclusively for “gray heads.” Not so! Have a look at the smart way that one young professional found to increase her savings for retirement

Gail, who was in her mid-30’s, wanted a way to pay less income tax, benefit her church, and gain assurance that she would enough income whenever the day came that she would stop working.

Gail purchased a \$10,000 deferred gift annuity. This annuity will begin paying out income when she reaches 55—her hoped-for retirement age. This is what she gained:

- A current tax deduction of \$5,072-- which provided her with an income tax refund of \$1,893. This “rebate” reduced the cost of the annuity to \$8,107.
- The pleasure of making an eventual gift to her church of approximately \$10,000. She decided to designate this for ministries to youth.
- A fixed annual income beginning at age 55 of \$1,740 for as long as she lives. This is a pay-out of 17.4%! Moreover, a portion of this income will be tax-free.

Over the expected 29 years of Gail’s retirement, this annuity will pay her an estimated total income of \$50,460. All for an effective after-tax cost of \$8,107.

If you think that this sounds too good to be true, request information about how a gift annuity may work in your circumstances. Gift annuities can work for younger people as well as for older folks. Consider how it may work for you. What special gift would you like to make?

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