



National Park Legacies

Gift and Financial Planning Information

Summer 2013

THIS GIFT GIVES BACK

What if there were a way for you to arrange a dependable income supplement that would continue for as long as you live; what if this could also free you from worries about the ups and downs of interest rates and the performance of your investments?

And what if there were a way to do this while making a charitable gift to National Parks Conservation Association that might not otherwise be possible?

A plan that offers each of these benefits is available today. For many years, charitable gift annuities have given friends of NPCA the opportunity to supplement their income, save taxes and make what might be their gift of a lifetime.

How do gift annuities work?

Under the terms of a gift annuity, you make a gift of cash or other property through a simple agreement that provides you with regular payments that will never decrease in size or frequency, regardless of changes in the economy.

These payments are backed by all of our available resources, and the laws of your state may provide for other protections as well.

Immediate tax savings

Because a portion of your gift will eventually be used for charitable purposes, you may benefit from an income tax deduction in the year the annuity is funded. The amount of the deduction depends on the age of the annuitant(s) and other factors.

Complement existing plans

Charitable gift annuities have proven to be excellent additions to the long-range financial plans of people from all walks of life.

Read on for more information about how a gift annuity with National Parks Conservation Association can benefit you and your loved ones.

Above: Delaware Water Gap National Recreation Area, New Jersey © 2009 Rabbit75/Dreamstime.com
Below left: Male northern cardinal perched in a flowering redbud tree © BIGSTOCKPHOTO Below right: The Urban Wilderness Canoe Adventure on the Anacostia River, Washington, D.C. © Annie Riker/NPCA



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DECIDING WHAT TO GIVE

To receive maximum benefits from a gift annuity, it is important to think carefully about the property used to make your gift. Consider the following assets as you decide what might offer the greatest opportunity for you.

- Cash or the proceeds from bonds, certificates of deposit or other investments that may be providing less income than desired.
- Stocks or shares of mutual funds that have increased in value since you have owned them but yield little or no income. Because capital gains tax may be bypassed at the time you fund a gift annuity, this can be a good way to make a gift while simultaneously increasing your cash flow.
- Withdrawals from retirement plans you may be required to make. A gift annuity can offer a way to set aside more of such funds to provide future income, while reducing taxes that would otherwise be due today.

As you make your decisions about what assets to give and when to give them, remember these points to help maximize your tax savings:

- Unlimited amounts may be left to a spouse free of taxes.
- There is no limit to the amount deductible from federal estate tax for charitable gifts.
- Gift annuities provide generous payments for life, and assets used to fund them are typically removed from your taxable estate.
- Gift annuity payments can be taxed more favorably than many other sources of income.

For an idea of what rate of payment you might receive, see the chart at right.

GIFT ANNUITY PAYMENT RATES

Selected rates for one person		Selected rates for two people of the same age	
Age	Rate	Ages	Rate
90+	9.0%	90/90	8.2%
85	7.8	85/85	6.7
80	6.8	80/80	5.7
75	5.8	75/75	5.0
70	5.1	70/70	4.6
65	4.7	65/65	4.2

For illustrative purposes only.
Please write for current benefits
and rates for other ages.

Below: Blue Ridge Parkway Sunset, Blue Ridge Parkway, NC © Daveallenphoto/Dreamstime.com



ONE OR TWO CAN RECEIVE PAYMENTS

You may create a gift annuity for your life only, for both your life and that of your spouse or other loved one or for the life of one or two other persons.

Payments for one person

Betty, age 78, decides to fund a gift annuity with NPCA using \$10,000 in cash. At her age, she will receive \$640 (6.4 percent \times \$10,000) each year for the rest of her life. And because part of the amount given will be used for charitable purposes, she is entitled to a charitable income tax deduction of more than \$4,500.

Payments for two lives

Jack and Lois, ages 76 and 74, decide to use stock that pays only 2 percent in dividends to fund a gift annuity that will continue payments for both of their lives.

They are entitled to payments equal to 5 percent of the amount transferred as well as a generous tax deduction.

Return the enclosed card or call for an illustration of the tax benefits and payment rate for a gift annuity for you and/or one or two other persons of your choosing who are age 60 or older.

The purpose of this publication is to provide general gift, estate, and financial planning information. It is not intended as legal, accounting, or other professional advice. For assistance in planning charitable gifts with tax and other financial implications, the services of appropriate advisors should be obtained. Consult an attorney for advice if your plans require revision of a will or other legal document. Tax deductions vary based on applicable federal discount rates, which can change on a monthly basis. Some opportunities may not be available in all states. ©MMXIII RFSCO, Inc. All Rights Reserved. NAX2-13



Voyageurs National Park, Minnesota
© 2011 George Burba/iStockphoto

WHAT RATE WOULD YOU RECEIVE?

Rates of payment for our gift annuities are carefully prepared by actuaries, taking into account current life expectancies as well as prevailing economic conditions.

To estimate the annual payment you might receive, multiply the rate for your age by the amount you may wish to give. For example, the chart on Page 2 shows an 80-year-old receives annual payments at a rate of 6.8 percent. Therefore, \$20,000 given for a gift annuity would result in payments of \$1,360 each year ($\$20,000 \times 6.8$ percent).

Payments are usually received on a quarterly basis. Request the latest rate information before you make your gift.

We can also help guide you and/or your advisors in determining your income tax deduction and the amount of each payment that will be free of income tax for a number of years. If you wish to give appreciated securities, you may be eligible for additional tax benefits. It is important to provide your original cost basis for the appreciated securities to receive a complete personalized illustration.

A PASSION FOR TRAVELING AND THE NATIONAL PARKS

“My passion has always been traveling,” says Joan Stanio Tenedine. “I love meeting people and learning about them.”

Joan first became acquainted with our national parks system in 1965, while living in California. “I remember driving through the Redwoods. I never saw trees so huge—I didn’t know they even existed that big!”

She introduced her daughter to camping, exploring and appreciating our national parks, including one memorable visit to Yellowstone where bears visited their camp one night. “They were looking for food...luckily, we had put ours away. But they made a mess looking for it. And we slept through the whole thing!”

Since that time, Joan has visited about 90 percent of the national parks and “I hope to see all of them before I die! My favorite park is Bryce Canyon. I love the majestic colors, rock formations and shapes; the peacefulness.”



JOAN STANIO TENEDINE

“We need to keep preserving the beauty and history of our land for the generations to come,” Joan says. To help in that effort, she has established two

gift annuities with NPCA. In addition to knowing her gift will eventually go towards preserving the land, Joan was attracted to the gift annuity because of the tax deduction. “I felt I would rather give my money to a worthy cause like NPCA than pay more taxes to the government.”

Now retired, Joan, a registered nurse, stays active in her community. She is a volunteer at her

local theater and is on the disaster roll in case of emergency situations. She also travels to other countries with the Friendship Force Club. And, of course, she still visits the national parks and enjoys her lifetime senior pass!

We are grateful to Joan and all our friends who want to help preserve our beautiful parks for future generations. If you would like more information about how you can help, please return the enclosed card or call the number below.



Swallowtail Butterfly

Glacier National Park, Montana © Frontpage/Shutterstock



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NPCA accepts gifts of \$10,000 or more to establish charitable gift annuities (CGAs). With an NPCA gift annuity, you may choose to start receiving income payments at age 65 or older.

For more information about how you can make a bequest, charitable gift annuity, or a planned gift to NPCA's endowment, please call Morgan Dodd toll-free at 1-877-468-5775. We look forward to helping you achieve your philanthropic goals.

