

## FREQUENTLY ASKED QUESTIONS

### Is it better to give a gift of cash or stock?

A person who is considering a significant charitable gift should first look to his or her stock portfolio. If you fund the gift annuity with long-term appreciated securities, the resulting capital gain on the appreciation in value can be deferred and/or eliminated. If you fund the gift annuity with cash, the tax-free portion (if any) will be smaller.

### Are there any restrictions for the acceptance of a Charitable Gift Annuity?

The IHM community will not issue gift annuities to donors less than 65 years of age. In addition, no gift annuities will be accepted from the following states: California, Florida, Maryland, Maine, Minnesota, New Jersey, New York, North Dakota, Oregon, Washington and Wisconsin.

### Do I need a lawyer to set up a Charitable Gift Annuity?

No. However, you are strongly encouraged to consult with your estate or financial advisor before entering into the contract. This would be a very important consideration in answering Question 1.

### If I live long enough can my annuity run out of money?

When you establish a Charitable Gift Annuity you are entering a contract with the IHM community under which the IHM community, backed by all its assets, is obligated to pay you (or another annuitant) a fixed-dollar amount for the rest of your life.

### Is a Charitable Gift Annuity right for me?

Only you can answer that question. Please remember that the main purpose of a gift annuity is the gift itself and the charitable intentions of the donor (s).

## VISION STATEMENT

The IHM community envisions and is committed to bringing about the dream of God on planet Earth through respect for, nurturing of and promoting the liberation and well-being of all persons and all of nature as God's good creation.

## MISSION STATEMENT

Urged by the love of God we choose to work with others to build a culture of peace and right relationship among ourselves, with the Church, and the whole Earth community.



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SISTERS, SERVANTS OF THE  
IMMACULATE HEART OF MARY  
MONROE, MICHIGAN  
FOUNDED NOVEMBER 10, 1845

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For additional information,  
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# IHM CHARITABLE GIFT ANNUITIES

## INTRODUCTION

**F**ollowing the tradition which has been ours from the beginning, we will take a part of whatever we have to contribute to charity, to respond to emergencies, and in various ways, to share with others who are experiencing need.

Supplement 44 to the IHM Constitutions

As disciples of our faith, we are called to be good stewards of the gifts God has entrusted to us. This includes the gifts of time, talent and treasure. An attractive way for certain types of donors to return a portion of God's gift of treasure, while also generating a financial return, is now easily available and simple to do.

An IHM Charitable Gift Annuity allows a donor to make a charitable contribution now while still retaining income for his or her life and for the life of a second individual (e.g., a spouse) if so desired. The donor receives a charitable deduction for part of the current value of the gift. An annuity payment is issued to the donor on a quarterly basis.

An IHM Charitable Gift Annuity is an excellent vehicle for donors who wish to make a significant contribution to the IHM Sisters, receive a charitable deduction and retain income for life. Hopefully the information in this brochure will be helpful to you in making this important decision.

## SOME BASIC INFORMATION

- A charitable gift annuity is a promise by the IHM community, given in exchange for money or marketable securities, to pay a fixed sum for life to the donor and/or other annuitants.
- Gift annuities will only be issued in exchange for cash or marketable securities.
- Normally no gift annuity shall be accepted which names an income beneficiary under 65 years of age. There shall be no more than two income beneficiaries for each gift annuity.
- The minimum initial contribution for a gift annuity is \$10,000. The minimum contribution for an additional gift annuity by an individual who has previously entered into a gift annuity agreement shall be \$5,000. No deferred gift annuities will be accepted.
- The rate of the annuity is based on the age of the designated beneficiary or beneficiaries at the time the annuity payments are scheduled to start. Annuity rates are higher for older annuitants. The annuity rate, along with the amount of the gift, determines the tax deductibility of the gift.
- The donor may restrict the use or uses on how the annuity funds are to be used by the IHM community. The donor can designate Motherhouse Renovation, the Retirement Fund, Missions (Overseas and Domestic), the Ministry Fund and/or the Area of Greatest Need.
- It is the responsibility of the donor to pay the proper taxes on any income received on the annuity. IHM will supply the donor annually with Form 1099-R.

