

Frequently Asked Questions

Do I have to be wealthy to acquire a gift annuity?

Not at all. You can acquire a gift annuity for as little as \$5,000. Furthermore, because of the tax benefits, you will usually receive more annual income than you would from a GIC or bond.

How is gift annuity income calculated?

It is determined by a formula based on:

- your age when acquiring a gift annuity;
- the current bond rates; and
- the expectation that at least half of the initial investment will eventually be available for the church's work.

How much of the income is tax free?

It depends on your age and life expectancy. The older you are, the greater the percentage of the annual income designated as tax-free. In addition, you will also receive a one-time charitable donation tax receipt for 20% or more of the original gift amount.

When will I receive payments?

Payments are generally made semiannually on January 1st and June 1st (for larger annuities, quarterly or monthly payments are possible).

Do I have a say in how the church will use what is left?

Absolutely. You can give it for:

- Your own congregation;
- The general funds of The Presbyterian Church in Canada (i.e. *Presbyterians Sharing*);
- PWS&D's relief & development work;
- A particular aspect of The Presbyterian Church in Canada's mission work (e.g. new church development in Canada, international or national mission work, theological education, etc.);
- Or you may spread your gift among several areas, indicating what percentage you would like to go where.

What are the benefits of a gift annuity?

- Regular, guaranteed income for life;
- Income that is mostly tax-free;
- A one-time tax receipt for a portion of the amount of your original gift;
- An opportunity to decide the particular ministries you would like to support with your gift;
- Your final gift flows to your designated beneficiaries outside your estate, so your gift is not held up while your estate is being settled and there are no probate fees.
- The satisfaction of knowing your gift will support the work of the church for generations to come.
- The joy of experiencing the double-blessing of giving *and* receiving!

For Further Information

The staff in the Planned Giving Office are available to offer whatever information and guidance you need to help you turn your philanthropic wishes into reality. Contact us by phone, email or letter. For additional information and more examples of generosity, be sure to check out the Planned Giving website.

The Planned Giving Office

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The information in this brochure does not constitute legal or professional advice and should not be substituted for appropriate professional advice. The Presbyterian Church in Canada encourages you to seek professional legal and financial advice before deciding on a course of action.

Gift Annuities

Gifts that give back



*Planting seeds of hope.
For generations to come.*

 The Presbyterian Church in Canada

Extend Your Christian Witness with a Gift Annuity

The gift that gives back to the donor . . .

Jesus said: “It is more blessed to give than to receive” (Acts 20:35), but many Presbyterians who love the church are discovering the blessings that come from simultaneously giving *and* receiving.

A charitable gift annuity acquired through The Presbyterian Church in Canada is an agreement by which you can give a substantial gift to your local congregation and/or The Presbyterian Church in Canada and, in return, receive a regular income for life. It is an ideal planned giving vehicle for people sixty years old and older who would like to leave a gift to the church after they die, but also need to receive a steady income during their lifetime.

You may acquire either a “single annuity” (which provides income for you alone as long as you

live) or a “joint annuity” (which provides life-long income for you and your spouse, or a brother or sister).

The majority or all of the annual income is tax exempt, depending on your age at the time you acquire a gift annuity. In addition, donors also receive a one-time charitable tax receipt for a minimum of 20% of the total annuity (the percentage increases the older you are when you acquire the annuity).

A gift annuity gives you the deep satisfaction that comes from knowing that you will be supporting important mission work after you have died, while at the same time giving you the assurance that you will be receiving regular income each year for as long as you live. By acquiring a gift annuity through The Presbyterian Church in Canada, you can experience the double-blessing of giving *and* receiving!

“Some give freely, yet grow all the richer; others withhold what is due, and only suffer want. A generous person will be enriched, and one who gives water will get water.”

(Proverbs 11:24-25, NRSV)

An Example:

*Margaret M is a 78 year old widow living on a fixed-income in her own home. She is managing to pay all her expenses along with her weekly offering to her home congregation, but would like additional money for incidentals or extras. After attending a Planned Giving seminar she discovers the good news of gift annuities — there is a way for her to generate more yearly income for herself now **and** give a substantial gift to her home congregation and The Presbyterian Church in Canada’s mission work after she dies. After consulting with The PCC’s Planned Giving Office and her personal financial planner, she decides to acquire a gift annuity for \$20,000. The contract she signs stipulates that the money remaining in the annuity after she dies will be split evenly between her home congregation and Presbyterians Sharing. In exchange for her gift, she receives a one-time charitable donation tax receipt for \$5,389.67 while receiving an annual income of \$1,420 (equals a 7.10% annuity rate, 100% of which is tax-free) for the rest of her life. Margaret is overjoyed. She is experiencing the double-blessing of giving **and** receiving!*

Special note: the above figures are for illustrative purposes only. Annuity rates are subject to change. To get a free annuity quote, contact the Planned Giving Office.

Meet Two of the Churchs ProVisionaries



Nita and Will Harvey have acquired two joint gift annuities, designating their home congregation as the beneficiary for each of them. It is not unusual for those who already have a gift annuity to

acquire one or more additional annuities.

Indeed, nearly one-quarter of all the annuitants in The PCC are repeat customers! Why?

Because they have learned from personal experience the benefit of having a guaranteed source of regular income, the majority of which is tax-free, while simultaneously providing a substantial legacy for the church.

“It is our belief that our church needs a major effort put forward to make people realize that gift annuities are not just a tax advantage. They are one way that we can contribute to the very lifeblood of the church for generations to come.”

Will Harvey