Scripps Heritage Planner

An Income, Estate and Gift Tax Newsletter for Professionals
from the Office of Gift Planning at Scripps Health Foundation

Summer/Fall 2018

THE CHARITABLE GIFT ANNUITY:
A Simple Alternative to the Charitable Remainder Trust

IN THIS ISSUE:

Scripps MD Anderson ~~Cancer~~ Center
Making Cancer History®

YOU ARE INVITED! Fall Professional Advisors Reception

Tuesday, September 25, 2018 ~ 4:30 to 6:30 p.m.

Our Vision of Cancer Care for the Scripps MD Anderson Cancer Center

Dr. Thomas Buchholz, Medical Director

Please join Scripps Health Foundation leadership, Gift Planning Officers, Scripps Health physicians and Dr. Thomas Buchholz, the new Medical Director of the Scripps MD Anderson Cancer Center for a happy hour reception as we showcase our vision for the future of cancer care at the Scripps MD Anderson Cancer Center. Network with other estate, tax and financial planning professionals as we celebrate and honor all that you do for Scripps Health and your clients.

Special Location: Scripps Center for Integrative Medicine
10820 N. Torrey Pines Rd, La Jolla, CA 92037
(downstairs in the patio area in front of the labyrinth – overlooking the golf course and the ocean)
Complimentary parking in the Integrative Medicine Center lot and Scripps Clinic North lot.

Please RSVP by email to giftplanning@scrippshealth.org or call Fabiola Esparza at **858-678-7120** by Wednesday September 19, 2018

Scripps

scrippsheritage.org

Sign up to receive our weekly Professionals eNewsletter "***Gift Law***" and receive advance notice of our FREE MCLE seminars. Call us at 858-678-7120 or visit our website at www.scrippsheritage.org/AdvisoreNewsletterSignup

Scripps Health Foundation

Serving the Fundraising Needs of the Following Scripps Health Facilities and Programs:

Scripps Health   Scripps Memorial Hospital La Jolla   Scripps Green Hospital   Scripps Clinic
Scripps Mercy Hospital & Mercy Hospital Foundation   Scripps Mercy Hospital Chula Vista
Scripps Memorial Hospital Encinitas   Scripps Home Health Care Services
Scripps Whittier Diabetes Institute   Scripps MD Anderson Cancer Center

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Women & Newborns   Diabetes   Home Health   Palliative Care

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Immediate Telephone Consultations   Charitable Deduction Calculations   Summary of Benefits
Flow Charts and Graphs   Private Client Meetings   Presentations at Your Office   Seminars for Clients

Our Website:

Resources for Estate Planning Professionals

Please visit us online at www.scrippsheritage.org and click on the link for Professional Advisors to find helpful tools and information.

Access complimentary charitable gift planning research sources with Crescendo GiftLaw Pro© by clicking on the link to Charitable Law References.

Access the Deduction Calculator from Crescendo GiftLaw Pro© to calculate tax deductions for clients or call us and we'll be happy to prepare full customized illustrations for you.

Read Advisor Articles to spark creative charitable gift planning ideas for your clients.
Keep up to date with the link to Washington News

www.scrippsheritage.org

Sign up for our weekly eNewsletter to receive timely news from Washington, estate planning and tax articles, donor stories, Scripps news and more.

Scripps

THE CHARITABLE GIFT ANNUITY:
A Simple Alternative to the Charitable Remainder Trust

If you know the name John Trumbull, you may recall that he was a famous Revolutionary War artist whose work included "The Declaration of Independence" and "Battle of Bunker's Hill." After creating four large paintings for the Capitol Rotunda, he failed to secure commissions for four more, and his fortunes began to decline.

Widowed and alone at age 75, he had an apartment full of unsold paintings and no income. Out of this necessity was born a modern invention. Indeed, Trumbull made financial history when he offered to give a number of his paintings to Yale University if they would in turn pay him a suitable income for the remainder of his life. In so doing, he became the first donor to ever use a charitable gift annuity[1] to finance retirement.

Benjamin Silliman, a Yale professor, brokered Trumbull's gift and in the process created the nation's first collegiate art museum. From this humble beginning in 1830, the gift annuity has evolved into the workhorse of philanthropy, benefiting both donors and charities by giving individuals with a variety of resources the opportunity to leave a charitable legacy while still earning income from the gift for life.

In this issue of ***Scripps Heritage Planner***, we examine how charitable gift annuities work and look at the many ways donors can use them and fund them to make a gift to charity and provide income for their lifetime.

- Partial Interest and Payout Rates: Gift Annuity Basics
- Simplicity Plus: Benefits for Donors
- Tax Considerations
- Gift Annuity Planning Ideas

Partial Interest and Payout Rates: Gift Annuity Basics

A charitable gift annuity (CGA) is a contractual agreement between a donor and a qualified charity, such as Scripps Health, where the donor irrevocably transfers cash or property (often long-term appreciated stock, and sometimes even real estate) to the charity and in return, the charity agrees to pay a specified amount periodically for the lifetime of one or two annuitants, based upon their age(s). The donor may choose to receive payments monthly, quarterly, semiannually or annually.

However, this is not an even exchange of property for an annuity. The present value of the annuity is always less than the value of the transferred property, therefore, the transfer is considered part charitable gift and part annuity purchase—meaning that gift annuities fall under the rules for gifts of partial interests in property.

For partial interest gifts, the Internal Revenue Code requires the use of the applicable federal rate (AFR) in calculating the charitable deduction for the gift portion. The donor may choose the AFR for the month of the gift or for either of the two preceding months. Currently, the AFR rates have been the same at 3.4% for August, July and June of 2018.

Selecting which AFR to use isn't always straightforward.

- If a donor wants to maximize the charitable income tax deduction, the highest rate is best, since it increases the amount of the gift portion.
- If a donor wants to instead maximize the tax-free portion of each annuity payment, the lowest rate is best (although, this will reduce the charitable deduction).

Gift Annuity Payout Rates

Most charities, including Scripps Health, follow the suggested payout rates published by the American Council on Gift Annuities (ACGA). For the first time since 2012, the ACGA announced new increased suggested rates with increases from .3% to .5%.

NEW GIFT ANNUITY RATES**

ONE LIFE		TWO LIVES	
AGE	RATE (%)	AGES	RATE (%)
65	5.1%	65, 70	4.7%
70	5.6%	70, 75	5.2%
75	6.2%	75, 80	5.7%
80	7.3%	80, 85	6.6%
85	8.3%	85, 90	8.0%
90	9.5%	90, 95	9.3%

**New rates effective as of July 1, 2018

ABOUT ACGA RATES

Since 1927, the American Council on Gift Annuities has studied and published rates applicable to gift annuities and advocated for responsible philanthropy and consumer protections. It is a voluntary nonprofit association that represents more than 1,500 gift annuity issuing agencies.

Because their published rates are suggested rates and are computed to incorporate a charitable gift element, they are lower than (and not in competition with) commercial annuities. However, a charitable organization is not bound to adhere to Council recommendations.

The schedule of maximum rates is determined by targeting a residual charitable gift equal to 50% of transferred assets. Actuarial assumptions are then applied to determine a tentative rate for each age based on the target.

Charitable organizations cannot issue commercial insurance contracts and still keep their income tax-exempt status.[2] Gift annuities are an exception to this rule—but only if they comply with the "Clay-Brown" rules:[3]

- The present value of the annuity must be less than 90% of the total value of the property transferred in exchange for the annuity (in other words, the charitable interest must be at least 10%).
- The annuity cannot be payable over more than two lives, and the individual(s) must be alive at the time the gift annuity contract is established.
- The gift annuity agreement between the donor and charity cannot specify a guaranteed minimum or maximum number of annuity payments.
- The actual income produced by the property transferred in exchange for the gift annuity must have no bearing on the amount of the annuity payments.

Only qualified charities[4] may offer CGAs, and the annuity is considered a general obligation of the charity issuing the contract. California law requires issuing charities to register with California State Insurance Commissioner, be in business for at least 10 years, be of sufficient net worth and working capital, and maintain segregated reserves to cover its payment obligations to annuitants under gift annuity agreements, among other requirements. When required by state law, the issuing charity must also register with other state insurance departments if they are issuing CGAs to residents of that state.

Simplicity Plus: Benefits for Donors

Older donors are attracted to CGAs because they are simple, easy to understand (agreements can be as short as one page), pay high annuity rates, and easy to execute. The minimum gift amount is typically low enough that donors don't have to make a substantial commitment, making the gift annuity an economical alternative to the more complex charitable remainder trust. For Scripps, the current minimum is $15,000.00.

The benefits of charitable gift annuities far exceed simplicity:

- An immediate charitable income tax deduction for the gift portion (part of which may be deferred if necessary due to the annual percentage-of-AGI deduction limits).[5]
- The choice of one or two annuitants (in the case of spouses as joint-and-survivor annuitants, the gift annuity can provide a continuation of payments to the surviving spouse without the delay of probate proceedings).
- The choice of beginning payments immediately or deferring them to a future start date (such as for retirement income).
- A stable income that provides a hedge against uncertain stock, certificate of deposit and real estate markets (the charity absorbs the financial risk, since the obligation to pay the annuity is backed by the charity's general assets and the required reserve).
- Payouts that are currently more attractive than CDs, some investments, and other interest-bearing, fixed-income investments.
- Partially tax-free portion of each payment (the part considered return of principal is tax free, and is greater during times of low AFRs).
- When using appreciated assets, avoidance of some of the capital gains taxes (for the gift portion), and pro-ration of the rest of the taxes over the life expectancy of the donor(s) (for the annuity portion).
- Removal of the transferred assets from the donor's estate for estate tax purposes.
- Supporting a charitable cause about which the donor is passionate.

Tax Considerations

There are three areas in which charitable gift annuities have a tax impact—the immediate charitable income tax deduction, the tax due on payments, and the circumstances under which gift and estate taxes come into play.

The Immediate Charitable Income Tax Deduction

The donor who itemizes may take an immediate charitable income tax deduction for the gift portion only (i.e., the value of the transferred property less the present value of the annuity). This deduction is subject to the same limits as an outright gift—60% of the donor's adjusted gross income (AGI) under the new tax law for a gift of cash and 30% for a gift of long-term capital gain property.[6] If the deduction exceeds these limits, the donor may carry the remainder of the deduction forward for up to five additional years.

Taxation of Payments

1. **A Tax-Free Return of Principal.** A portion of each payment is a tax-free return of principal. This continues until the "assumed cost" of the annuity is fully recovered (when the annuitant reaches life expectancy). The donor's cost basis is allocated between the gift and sale portions of the payment in the same proportion as the value of the transferred property. For example, if a donor's $25,000 transfer is considered a $12,500 gift (50%) and a $12,500 annuity purchase (50%), then only 50% of each payment will be treated as tax-free return of principal.
2. **Long-Term Capital Gains.** However, if the donor uses appreciated property held for more than one

year, a portion of each payment will be taxed as long-term capital gain, reducing the tax-free portion of the payments. Capital gain is recognized only on the annuity portion of the transaction, though. Because the tax is applied only as the money is paid out by the charity, the donor essentially spreads out payment of the tax over his or her life expectancy. However, there are a couple of requirements to achieve this benefit:

- The donor must be the sole annuitant (or the donor and another individual can be joint-and-survivor annuitants).
- The annuity must be non-assignable (or assignable only to the charity that issued it).

If this prohibition against assignment is not incorporated into the terms of the gift annuity agreement, the donor must recognize and pay the tax on the capital gain in full in the year of the contribution.

When the donor (and/or the donor's spouse) is not the annuitant, and a child, nephew, niece or friend is the annuitant, the capital gain on the annuity portion will be recognized and reported by the donor in the year of the contract.

3. **Ordinary Income.** The balance of each payment is taxed as ordinary income during the donor's life expectancy. After the annuitant lives past his/her life expectancy, the entire annuity payments are taxed as ordinary income, as all principal will have been distributed and all capital gain recognized.

TAX REPORTING - FORM 1099-R

Taxable distributions from a gift annuity are reported on IRS Form 1099-R. The charity will provide the donor with the tax calculations when the annuity is created and the donor will receive a Form 1099-R from the charity each year. Box 1 is for the total amount distributed. Ordinary income is reported in box 2a. Capital gains are reported in box 3. Any non-taxable amounts are reported in box 5.

Gift and Estate Taxation

Donors often name themselves and their spouses as annuitants—but not always. Gift and estate tax issues occur when the donor names a non-spouse as an annuitant.

Gift Tax

If the sole annuitant is the donor's spouse, the federal unlimited marital deduction covers the gift.[7] If the spouses are co-annuitants, the unlimited marital deduction is available only if each has the right to receive payments prior to the first spouse's death (in effect, a joint-and-survivor annuity).[8] If the donor chooses instead to receive the entire annuity with spousal survivor benefits beginning after death, the gift does not qualify for the marital deduction unless the donor fails to complete the gift by retaining the right to revoke the spouse's interest. This means that each payment received is a completed gift and covered by the annual gift tax exclusion.

When a donor names a non-spouse as an annuitant, the donor is essentially making a gift of the present value of the annuity to this individual and the gift is only covered up to the annual gift tax exclusion amount of $15,000 per individual, per year (2018). If the value of the gift portion of the annuity exceeds the annual exclusion amount, then a gift tax return is required.

Estate Tax

Let's look at three situations:

- **If the donor is the sole annuitant**, there are no estate tax issues because the annuity terminates at the donor's death and is not included in the donor's estate for estate tax purposes.[9]
- **If the donor's spouse is the sole annuitant**, the present value of the spouse's annuity is includible in the donor's estate, but qualifies for the unlimited federal estate tax marital deduction.[10]
- **If someone other than the donor is the sole annuitant**, the remaining value in the annuity is excluded from the donor's estate. (An exception exists for a joint annuity that uses only the donor as the measuring life.) However, if the donor retained a right of revocation and predeceased the annuitant, that power to revoke pulls the present value of the annuity at death back into the donor's gross estate.[11]

Gift Annuity Planning Ideas

Increase Tax-Free Income While Interest Rates are Low

When we covered the basics, we discussed the choice of AFR and the trade-off involved. AFR rates appear to be on a slow but steady rise in the past two years. Let's look at an example using different AFR rates.

In July, Barbara, a 75-year-old donor, transfers $50,000 in cash to set up a charitable gift annuity. Her annuity rate is 6.2%. Barbara must choose an AFR. Note how the projected charitable income tax deduction increases or decreases depending on the AFR used, and how the tax-free amount of each payment changes.

Age: 75 Payout Rate: 6.2%

Gift Amount: $50,000 Annual Annuity: $3,100

AFR	3.4%	3.2%	3.0%
Tax-free amount	$2,188.60	$2,216.50	$2,244.40
Income Tax Ded.	$22,877.00	$22,523.00	$22,159.00
Exclusion ratio	70.6%	71.5%	72.4%

By comparison, if the AFR increased to 4%, the charitable deduction would jump to $23,897, and the tax-free amount would drop to $2,109.40

With the low AFRs now prevailing, donors have a unique opportunity to lock in high tax-free income for their life expectancy. Short-term CD rates are hovering around 1-2% and interest is taxable. The opportunity for a 75-year-old donor to get a 6.2% fixed lifetime payout, more than two-thirds of which is tax-free, is very appealing.

Benefits of Alternate Funding Options

Cash is only one of the many ways to fund a gift annuity. Let's look at a few of the more common alternate funding options.

Securities

Individuals receive significant tax benefits when appreciated stocks and mutual funds are used to fund a gift annuity. If a person sells a share of appreciated stock, the person must pay capital gains taxes on the sale. Only the after-tax amount will then be available for a gift to the charity. Alternatively, if a person transfers that share of appreciated stock directly to the charity and permits the charity to sell the stock, the capital gains taxes are, in most cases, avoided. The donor makes a larger charitable gift and receives a charitable deduction for the full fair market value of the share of stock.

When using securities to fund a CGA, some of the capital gain is avoided entirely (on the gift portion of the annuity) and the rest is pro-rated over the life expectancy of the donor (on the annuity portion).

Securities are easily gifted by electronic transfer through the Depository Trust Company (DTC). The DTC transfer is started by the donor sending written instructions to his/her broker to complete the transfer to the charity. The donor's broker initiates the DTC transfer to the charity's broker and the gift is complete when the security is received into the charity's brokerage account. Reg. 1.170A-1(b). The security's fair market value is established according to IRS valuation rules—at the mean between the high and low prices of that security on the date of transfer. Reg. 20-2031-2(b)(1). If the security is transferred on a date when there is no trading, then the mean is averaged for the prior and subsequent trading days. The averaging method also adjusts the mean according to the number of pre-gift and post-gift days.

Gifts of short-term capital assets are deductible at cost/tax basis. Sec. 170(e)(1)(B)(ii). Therefore, if a donor has held a security or other short-term capital assets (such as personal property) for less than a year and a day, the donor will receive a deduction based on what he or she paid for the asset (plus commissions/fees for the purchase), rather than its current fair market value.

Real Estate

Donors looking to get out of the real estate business or to contribute real estate to a charity to bypass the capital gains taxes and receive a charitable income tax deduction often turn to charitable trusts because of their inherent flexibility. However, a CGA funded with real estate is an attractive option, especially when the property is readily marketable and the charity has experienced gift planning officers and real estate departments ready and eager to handle the gift. The value of the property donated must be properly documented by a qualified appraisal. It is handled as a real estate transaction with escrow, title insurance, transfer disclosures and a deed. The gift annuity rates are based on the donor's age and other rules for gift annuities apply. The charity may want to take a discount on the annuity amount to take into account the real estate commissions, the costs of sale, holding costs, insurance, and estimated time on and risks of the market which will in turn reduce the proceeds available to fund the required reserve. The amount of the discount will produce another charitable income tax deduction for the donor.

Some charities may be reluctant to take this type of asset. The charity assumes the risk of committing to fixed payments without knowing when the property will sell or whether it will sell for an amount that makes the annuity payments feasible. The charity must fund the required reserve using its own money until the property is sold. If the sale price is lower than expected, the charity may be required to use its other funds to pay the annuity if the annuitant outlives his/her life expectancy. In addition to the costs involved with property ownership, the charity may be exposing itself to liability for sale of the property to a third party for later-discovered defects or environmental hazards. If the property is subject to a mortgage, planning is more difficult and sometimes impossible. Plus, donors must recognize capital gain more rapidly than would be the case with other funding methods, such as appreciated securities.

Life Estate Gift Annuity – Give Your Home to Charity, Continue to Live in it, and Receive Income for Life

A Life Estate Gift Annuity (LEGA) enables an individual to make a gift of his/her personal residence, vacation home or farm to a qualified charity, such as Scripps Health, while the donor occupies and enjoys the residence throughout his/her lifetime. The donor deeds the property to charity and retains a "life estate" interest in the property. This creates a split interest where the charity owns the remainder interest and the donor owns the life estate interest, both of which have an ascertainable value. The current value of the remainder interest is calculated which then forms the basis for the charitable gift annuity. The same rates, rules and processes apply as for gift annuities funded with other types of assets, except you add the steps to complete a gift a real estate.

The process begins with the charity inspecting the property, completing a market analysis, and deciding whether it is willing to accept the property and move to the next step of the process. The donor then obtains a qualified appraisal of property and the charity and the donor agree on the value. The charity calculates the current value of the remainder interest based upon the agreed upon value and determines the amount upon which it will write the gift annuity. The gift annuity rate is determined by the age of the donor. The income payment can be quite high depending on the donor's age. The donor signs a simple one page Gift Annuity Agreement in which Scripps agrees to pay the donor fixed payments for the donor's life, some of which may be partially tax-free. The donor may add his/her spouse to receive annuity payments for his/her lifetime. The donor signs a Real Estate Agreement that he/she will maintain the home, pay the property taxes and insurance and keep the HOA payments current, as applicable. The donors then complete their residential disclosures required for the transfer of residential real estate in California. The gift is treated as a real estate transaction, so escrow is opened, a title report is issued, and a deed transferring the property to the charity and reserving life estate for the donor is recorded.

After the passing of the donor, the charity records an Affidavit of Death of Life Tenant, the property is then fully owned by the charity without probate proceedings, and the charity lists and sells the property, which is many cases has increased in value since the LEGA was created. This is an attractive arrangement for many individuals who would like increased income, may be asset rich and cash poor or don't have family to leave their estate. Not all charities participate in this type of planned gift. Not all residences are accepted by Scripps.

Provide Income to Beneficiaries by Creating a Testamentary Gift Annuity

It is possible to arrange a charitable gift annuity through a will or living trust which can provide income to one or two surviving individual beneficiaries. It's a nice way to provide a stream of fixed-income for the beneficiary's lifetime. The donor can specify the creation of the gift annuity with a pre-chosen qualified charity in either a certain amount or using the residue of the estate, and with either immediate or delayed payments (when they reach a certain age).

Since charitable bequests that are unascertainable in amount can cause a loss of the estate tax charitable deduction, a donor creating a gift annuity for an individual through his or her will or trust should clearly state both the amount and that the annuity rate will be at the published rate offered by the charity for the beneficiary's age. The charity is required to follow the CGA rates it has published and filed with the State Insurance Commissioner (ACGA rates). The donor should also address two important possibilities by providing:

- A contingent annuitant in case the designated annuitant predeceases the testator. Or if this seems likely, an outright bequest to the charity might be a better contingency choice.
- A contingent charity, in case the named charity is no longer in existence at the donor's death, or is unable or unwilling to accept the gift.

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The inscription on John Trumbull's tomb reads, "To his Country he gave his Sword and his Pencil," memorializing both a soldier and an artist—a man who both served in the Revolutionary War and allowed others to glimpse it through his paintings. The gift annuity that Trumbull helped create has dual facets as well. It's both a gift and a sale; a donation and an income; a benefit to charity and a benefit to the donor or another annuitant. And, as was the case with Trumbull, it is a giving tool that is not reserved for the wealthy, but is available to the many that might not otherwise have the means to leave such a lasting charitable legacy.

The gift annuity is widely used within the planned giving community and has survived nearly 200 years for good reason—it is simple, versatile, and accessible to the great majority of older donors. Gift annuities have provided individuals with the funds necessary for daily life or to supplement retirement income while enabling generations to support causes larger than themselves.

Endnotes

1 See http://giftplanninghistory.org/wp-content/uploads/2013/10/Part-1-Yale-gift-annuity-22-Sept-2013.pdf. For more than 50 paintings, Trumbull was paid the annual sum of $1,000 for life on the condition that Yale never sell a painting to fund the annuity. Trumbull was 76 when the gallery opened to the public in 1832, and he received his annuity until his death in 1843 at the age of 87.

2 IRC §501(m)

3 These rules are found under IRC Secs. 501(m)(3)(E), 501(m)(5) and 514(c)(5).

4 Whether a charitable organization is "qualified" depends on which federal tax is applicable—income, gift, or estate. Each has its own list of qualifying types of organizations, which are similar but not identical. A list of qualifying organizations can be downloaded from the IRS website.

5 IRC §170(b)

6 Id.

7 Reg. §25.2523(b)-1(b)(6)(iii)

8 IRC §2523(f)(6)

9 Many gift annuities provide that the obligation to make payments ends with the payment immediately preceding the annuitant's death. This avoids the issue of income in respect of a decedent (IRD) being included in the estate of the deceased annuitant.

10 Reg. §2056(b)-1(g), Example (3)

11 IRC §2038

SPECIAL EVENT - Tuesday, September 25, 2018 4:30 to 6:30 p.m.

Fall Professional Advisors Reception: Our Vision of Cancer Care for the Scripps MD Anderson Cancer Center

Dr. Thomas Buchholz, Medical Director

Reservation Deadline: Wednesday, September 19, 2018

Please join Scripps Health Foundation leadership, Gift Planning Officers, Scripps Health physicians and Dr. Thomas Buchholz, the new Medical Director of the Scripps MD Anderson Cancer Center for a happy hour reception as we showcase our vision for the future of cancer care at the Scripps MD Anderson Cancer Center. Network with other estate, tax and financial planning professionals as we celebrate and honor all that you do for Scripps Health and your clients.

Special Location: ***Scripps Center for Integrative Medicine*** **- 10820 N. Torrey Pines Rd, La Jolla, CA 92037** (downstairs in the patio area in front of the labyrinth – overlooking the golf course and the ocean). Complimentary parking in the Scripps Center for Integrative Medicine lot and the northern lot of Scripps Clinic Torrey Pines.

UPCOMING GIFT PLANNING SEMINARS

All seminars (except special events and workshops) are held in the **Founder's Room** at Schaetzel Center for Health Education at Scripps Memorial Hospital La Jolla located on the first floor of the Prebys Cardiovascular Institute – **9890 Genesee Avenue, La Jolla, CA 92037**.

- Confirmed RSVP reservations are required for all luncheons
- **MCLE credit of 1 hour approved for those who qualify**
- Complimentary lunch and validated self-parking are provided
- **To RSVP, please email giftplanning@scrippshealth.org or call 858-678-7120**

Wednesday, October 3, 2018 noon to 1:30 p.m. Reservation Deadline: Thursday, September 27, 2018

The Charitable Gift Annuity: A Simple & Versatile Alternative to the Charitable Remainder Trust

Presenter: Janet H. McDonough, Esq., Director of Gift Planning, Scripps Health Foundation

This presentation will be a continuation of the material covered in the enclosed article with case studies and illustrations for gift annuities funded with real estate, securities and cash. You will learn why the gift annuity is a simple, versatile and attractive estate, charitable and tax planning alternative. Learn about the Scripps Life Estate Gift Annuity program using the donor's personal residence or vacation home and about the tax-free income and income tax deductions available while the donor continues to live in his/her home.

Wednesday, November 7, 2018 noon to 1:30 p.m. Reservation deadline: Thursday, November 1, 2018

What Now? Recent Developments in Estate, Trust and Tax Law

Presenter: Meredith Alcock, Esq., Abbene & Alcock

The day after the election will bring anxiety for some and renewed confidence for others. Learn about recent developments in estate, trust and tax law and how these developments may impact your clients' year-end plans and their plans for the future.

Wednesday, December 5, 2018 noon to 1:30 p.m. Reservation deadline: Nov. 27, 2018

Real Estate Appreciation, Legal Entities & Tax Reform – Answers to Your Clients' Questions

Presenter: John S. Reynard III, Esq., Anderson and Reynard

With the new tax reform, clients are asking, "Is it time to get out of the legal entities and the plans that were put together in the 1990s and 2000s?" and "is it time to get out of the real estate market?" Learn the current tools being used to achieve client goals and to augment prior planning. Learn about the traps of unwinding those legal entities, and about the options and structures for planning for real estate assets. Learn about life income gifts, such as charitable remainder trust planning, charitable gift annuities funded with real estate, and other charitable solutions to tax dilemmas.

Scripps

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