



Creating a **Charitable Gift Annuity**

If you would like to make a charitable gift and receive income during your lifetime, consider creating a Charitable Gift Annuity (CGA) with Mass Audubon. With a Mass Audubon CGA, you'll know you're creating security for yourself and making a difference for wildlife, the climate, and protection of and access to nature.

What is a CGA?

- A CGA is a contract between a donor and a 501(c)(3) charitable organization. The donor transfers \$25,000 or more of their cash or appreciated securities to Mass Audubon and Mass Audubon invests and manages these funds. The agreement can last for one or two lifetimes and the beneficiary or beneficiaries will receive an income over this period from these funds.
- The income can be paid monthly, quarterly, or annually. The donor may select one or two beneficiaries, and after the lifetimes of those annuitants, the remainder of the gift passes to Mass Audubon. This gift will support the protection of nature for people and wildlife, or a specific Mass Audubon program or sanctuary.

What are the benefits?

- Beneficiaries receive a guaranteed income for the remainder of their life, or their lifetime and the lifetime of another annuitant such as a spouse or partner.
- Donors of CGAs receive an immediate tax deduction.
- You become eligible to join Mass Audubon's Tern Society for planned and legacy donors and gain access to a network of people who share your ideals and values.
- Simple to set up by working directly with Mass Audubon.

Photographer: Ilene Hoffman



How Does it Work?

In order to establish a Charitable Gift Annuity:

1. Work with Mass Audubon, a 501(c)(3) charity that offers CGAs. CGAs are created directly with a charitable organization rather than a financial institution.
2. Decide on the terms of the contract: the number of beneficiaries (1 or 2), how often would you like to receive payments, etc.
3. Sign an annuity agreement and make the donation/transfer of assets.
4. CGA principal amounts and fixed payout schedules must fall within guidelines set by the American Council on Gift Annuities, but are somewhat negotiable depending on age and other factors.
5. Payments of regular income back to the donor can be deferred, so a donor can set up a CGA well before starting to receive income.
6. Taxes on CGA payments are divided three ways:
 - payments from the principal are tax exempt, as this is considered the “investment in the contract,”
 - payments from any profit made through long-term capital gain property is subject to capital gains tax, and
 - any other interest is taxed as ordinary income.
7. Some states require registration and disclosure of CGAs. While Massachusetts is not one of these states, if you are working with us from out of state, make sure you discuss these regulations with Mass Audubon and your financial or legal advisor.

Further Questions & More to Consider

If you're interested in making a planned gift but aren't sure that a CGA is right for you, please reach out. We'd be happy to talk with you about your wishes and help you explore the many options available for gift planning. Many plans allow you full control and use of your assets during your lifetime, and there are also options which would pay you an income during your lifetime.

Visit massaudubon.plannedgiving.org for more information or contact us directly.

We look forward to hearing from you. Thank you for considering Mass Audubon in your estate plans.

Contact the Gift Planning Department

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Planning your estate and legacy for future generations, including your charitable interests, takes careful evaluation. We encourage you to consult with your Advisors, as Mass Audubon does not provide individual legal or tax advice.

