



Charitable Gift Annuity for Two Lives - Immediate

Prepared for: Mr. and Mrs. Smith

A. Input Assumptions

Date of transfer	January 05, 2003
Fair market value of property transferred	\$675,000.00
Date of first payment	March 31, 2003
Annual annuity rate for immediate annuity	6.5%
Payment frequency	Quarterly
The discount rate (effective 01/2003) is	4.20%
The mortality table is based on the census taken in	1990
Nearest age of Bob on the date of the gift is	75
Nearest age of Betty on the date of the gift is	75

B. Present Value of Remainder Interest - Immediate

1.	Net fair market value paid for annuity	\$675,000.00
2.	Annual annuity rate	6.5%
3.	Annuity amount payable on an annual basis	\$43,875.00
4.	Factor for present worth of a two life annuity (based on table R(2))	10.4624
5.	Adjustment factor based on payment frequency from Pub. 1457, Table K	1.0156
6.	Adjusted value of \$1.00 (Line 4 * Line 5)	10.6256
7.	Adjusted annuity value (Line 3 * Line 6)	\$466,198.20
8.	Excess of actual 1st payment over pro rata 1st payment (0 for pro rata first payment)	\$0.00
9.	Present value of annuity (Line 7 + Line 8)	\$466,198.20
10.	Minimum value of annuity (lesser of line 1 and line 9)	\$466,198.20
11.	Present value of remainder interest (Line 1 - Line 10)	\$208,801.80

Depending on the type of asset you contribute, a portion of your payment may be taxable to you as a combination of ordinary income, long-term capital gain, and a tax-free return of principal. This report has been calculated assuming a contribution of cash. Each of your next **16.4** years payments of **\$43,875.00** will contain **\$28,426.72** of tax-free income and **\$15,448.28** of ordinary income. All income will be ordinary after **16.4** years.

This report is based on the annuity rates published by the ACGA on January 1, 2003.

We invite you to [contact us](#) for additional information regarding this gift instrument or your other gift planning options.

NOTE: This calculation is provided for educational purposes only. The type of assets transferred, the actual date of the gift, and other factors may have a material effect on the amount or use of your deduction. You are advised to seek the advice of your tax advisors before implementing a gift of this type.

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