

Creative & Tax-Wise Ways to make your Best Gift to  
***Pathway to the Future***  
***Capital Campaign***

An invitation to the Members and Friends of  
**Immanuel Lutheran Church**

**Did you know that...**

**... you may be able to make gifts using your qualified retirement plans if you're 70½ or older?**

Ron and Jean Peterson are in their early 70s and want to make a significant gift to Immanuel Lutheran Church. They've accumulated \$800,000 in their qualified retirement plans, and must now take their required minimum distributions despite the fact that they don't currently need the entirety of their RMD to support their lifestyle. Ron and Jean request a \$25,000 qualified charitable distribution (QCD) from their IRA and direct it to their congregation's campaign, avoiding the payment of income tax on this portion of their withdrawal. They also name Immanuel Lutheran Church as the death beneficiary of the remaining retirement funds, leaving other assets with lesser tax consequences to heirs.

**... you can make a larger gift than you might be imagining if you use appreciated stock?**

Bob and Mary Smith are in their late 50s with two young adult children who they've already put through college. They both want to make their best possible gift to the capital campaign. Bob and Mary decide to gift \$10,000 of appreciated stock to the Immanuel Lutheran Church campaign. Since the stock was inherited at cost basis of \$4,000, the Smiths will avoid paying \$900 in taxes on the \$6,000 of capital gains. The Smiths also qualify for a charitable tax deduction and have an income tax savings of \$2,800. After both tax benefits, the net cost of the gift to the Smiths is only \$6,300. Bob and Mary also decide to make this gift 3 years in a row – a total \$30,000 commitment to the campaign with gifts that will actually cost them only \$18,900.

**... you can replace or even increase your income with certain gifts?**

Bob Johnson and his wife Dorothy are both 79 years old. They want to make a significant gift to Immanuel Lutheran Church, but would like to avoid reducing their current income. They have a \$50,000 CD maturing, and though they've never needed the principal, they like the idea of receiving a guaranteed income. If renewed at the current 1% rate for another 24 months, they'll receive \$500. However, if they gift the \$50,000:

- \$25,000 could establish a charitable gift annuity that, at their respective ages, provides a guaranteed, fixed payment for both lives of 6% or \$1,500 per year - 3 times the CD return. They can take a charitable income tax deduction for their gift, and receive a portion of the annuity's income tax free. After the second death, Immanuel Lutheran receives the charitable gift annuity's remainder value.

- \$25,000 could be given as their response to the congregation’s campaign invitation, and they are eligible for a charitable deduction, effectively reducing the gift’s costs.

**... you can make a larger gift than you might be imagining if you itemize on your tax return?**

Karl and Kathy are in their 40s with two school-age children, and they want to make their best gift from their regular income to the Immanuel Lutheran Church campaign. Before taking a closer look, they’re imagining a one-time gift of \$7,500. Karl and Kathy consult with their accountant and confirm that a larger gift will make them eligible to itemize their deductions this year. They decide instead to give a \$10,000 gift, take the charitable income tax deduction, and at their income tax rate, the net cost of the gift to them will be only \$7,200.

**... you can make a larger gift than you might be imagining if you give monthly over three years?**

Shelly is a single mom with a limited income. Her gratitude for Immanuel runs deep. She would take great joy in giving at least \$1000 to the campaign, but she could never imagine coming up with that kind of money for a single gift. She discovers that a gift of only \$27 a month over three years would make that possible.

**TABLE OF GIFTS AND PLEDGES NEEDED  
OVER 3 YEARS FOR A \$500,000 CAMPAIGN**

<b>Number of Gifts/Pledges</b>	<b>3-Year Total Gift/Pledge Range</b>	<b>Cumulative Total</b>
1	\$50,000 - \$100,000	\$ 75,000
2	\$25,000 - \$ 49,999	\$ 55,000
4	\$15,000 - \$ 24,999	\$ 65,000
10	\$10,000 - \$ 14,999	\$ 130,000
15	\$ 5,000 - \$ 9,999	\$ 75,000
20	\$ 2,500 - \$ 4,999	\$ 50,000
20	\$ 1,000 - \$ 2,499	\$ 35,000
28	Up to \$1,000	\$ 15,000
100		\$ 500,000

**... you can receive, without cost or obligation, more information, a personalized illustration, and a confidential consultation to help you plan your gift by contacting our campaign consultant?**

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