



Deferred Gift Annuity

Simplicity, Security, and Attractive Income Deductions

This can be a wonderful investment option for a younger donor still in high-earnings years, still saving for retirement and looking for ways to lower taxable income. A deferred charitable gift annuity provides fixed payments to you and/or another beneficiary for life in exchange for your gift of cash or securities. The payments start on a date you choose that is at least one year after you make the gift.

You can use a deferred gift annuity to help plan for retirement. Many donors establish a series of deferred gift annuities over several years, using funds they had already set aside for retirement saving. They set the commencement date for payments from these annuities to coincide with their or their spouse's retirement. The safety and security of payments won't fluctuate during your lifetime.

Two features make the deferred gift annuity quite attractive to donors in high-earnings years who are concerned about securing both current tax deductions and additional sources of retirement cash flow

- SWBTS can offer a higher guaranteed payments rate for these annuities than for annuities with payments that start immediately, and
- You may receive a larger charitable income tax deduction than you could get from any other life-income gift plan.

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Starting Steps:

1. You transfer cash or securities to Southwestern Baptist Theological Seminary (SWBTS). Our suggested minimum gift requirement is \$25,000.
2. Beginning on a specified date in the future, the seminary begins to pay you or up to two annuitants you name fixed annuity payments for life.
3. Generally, deferred gift annuities may be created by donors of any age. However, a beneficiary must be at least 40 years of age before deferred gift annuity payments commence.
4. The remaining balance passes to SWBTS when the contract ends.

The deferral of payments permits a higher annuity rate and generates a larger charitable deduction. Additionally, you can schedule your annuity payments to begin when you need extra cash flow, such as retirement years. Payments are guaranteed and fixed, regardless of fluctuations in the market. The longer you elect to defer payments, the higher your payment will be.

You avoid all up-front capital gains taxes. If you fund your deferred gift annuity with appreciated securities, only a portion of your gain is recognized, with the tax spread over your annuity payments, and part of each annuity payment to you is tax-free.



Contact us for Assistance:

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