

These Special Gifts May Help at Tax Time



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Phoebe is blessed to receive cash gifts throughout the year from loyal donors who make Phoebe a giving priority. This spring we would like to highlight two gift arrangements that may help you at tax time, and because of favorable outcomes, allow you to make an even larger gift to Phoebe than you might normally consider.

■ To increase income, a very simple option to consider is a **Charitable Gift Annuity**. Unlike a commercial annuity, this is an agreement in which you make a gift to Phoebe and receive fixed payments for the rest of your life (and/or the lifetime of another person). Additional benefits include an income tax deduction and partially tax-free income for a number of years.

■ Another tax-wise gift strategy involves **giving through retirement savings** such as IRAs, 401(k)s, and similar plans that allow people to delay payment of taxes on money they want to save for future use. By designating that charitable gifts be made with retirement funds, and by leaving other assets to loved ones, you can ensure that no estate or income tax will ever be due on any balance in your retirement account.

Until December 31, 2007, donors who are 70.5 years of age or older have a unique opportunity to make gifts from a traditional IRA or Roth IRA. If you must make mandatory withdrawals from these plans or have accumulated more than you'll need in retirement, this gift option may appeal to you.

Two free brochures that are quick to read and easy to understand are now available to you from Phoebe: "Q&A About Gift Annuities" and "Q&A About Retirement Plans." To request free copies, contact: Phoebe Ministries, Office of Institutional Advancement, 1925 Turner Street, Allentown, PA 18104. Phone: 610-794-5132.

As always, we recommend that you consult your financial advisors before making any significant charitable gift decisions. We will be happy to work with you and your advisors to see if these concepts apply to your circumstances. ■