



CHARITABLE REMAINDER UNITRUST

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A charitable remainder unitrust can help you maintain or increase your income while making a significant gift to SSM Health Cardinal Glennon Children’s Foundation. If your unitrust grows, your payments will grow too, providing a hedge against inflation. A unitrust provides more flexibility than other life income plans.

A charitable remainder unitrust could be right for you if:

You want to provide income for yourself or others.

You want the possibility of income growth.

You want to save income taxes or capital gains taxes.

You want to choose the person who administers your gift and guides its investments.

You are considering a gift amount of \$250,000 or more.



Example

Sarah Miller is 76 years old and her husband John is 75. Many of the stocks in their portfolio have appreciated substantially in value over the many years the Millers have owned them. They are enthusiastic about making a major gift to support Cardinal Glennon Children’s Foundation, but they also would welcome a way to receive greater income from their investments without paying a big capital gains tax.

After consulting with their advisor, the Millers find that a 5% charitable remainder unitrust funded with \$500,000 in assets will meet their needs perfectly. They fund their unitrust with \$400,000 in stocks plus \$100,000 from a money market fund. They paid a total of \$75,000 for the stocks, which currently produce about 2% in dividends each year. Their money market fund has been earning about 2% interest annually.

* The future payment amounts and principal amount remaining for SSM Health Cardinal Glennon will be lower if the Millers’ unitrust earns less than 7% annually.

** The Millers’ income tax charitable deduction will vary slightly depending on the timing of their gift.

Benefits

- The Millers will receive \$25,000 in payments in the first year of their unitrust, significantly increasing the income they had been receiving from these assets. If the income and appreciation of the trust’s investments, net of costs and fees, total 7% annually, their payments will grow to over \$33,647/year* in 16 years.
- The Millers will receive an immediate income tax charitable deduction of about \$250,155**.
- The Millers’ trustee will be able to sell their stock immediately in order to diversify their unitrust’s investments without paying any capital gains tax.
- Assuming its investments earn a 7% net annual return on the unitrust’s investments, over \$686,393* will be left in the Millers’ unitrust to support SSM Health Cardinal Glennon Children’s Foundation when their unitrust terminates.

OUR MISSION

Through our exceptional health care services,
we reveal the healing presence of God.



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