

CHARITABLE REMAINDER ANNUITY TRUST



WHAT IS A CHARITABLE REMAINDER ANNUITY TRUST (CRAT)?

A Charitable Remainder Annuity Trust (CRAT) is ideal for someone with cash or appreciated securities.

- ✓ A charitable remainder annuity trust (CRAT) pays a specific dollar amount each year to any designated income beneficiary, as specified upon the trust's inception.



HOW DO CRAT PAYMENTS WORK?

The payment amount is at least 5% of the value of the corpus (property in the trust) when the trust is established.

- ✓ At the end of the payment term, the remainder of the trust passes to one or more qualified U.S. charitable organizations.
 - The remainder of the trust is required to be at least 10% of the original fair market value (FMV).



A CRAT WORKS BEST IF YOU...

- ✓ Are interested in fixed income during a defined lifetime.
- ✓ Want to leave the remaining balance of your trust to charitable organization(s) of your choice.
- ✓ Want to transfer cash or other liquid assets into an irrevocable trust.



WHAT ARE THE BENEFITS OF A CRAT?

With a CRAT, you'll be able to direct fixed payments during the lifetime of your designated income beneficiary.

- ✓ A CRAT will also allow you to leave the remaining balance to your favorite cause.
- ✓ You can transfer appreciated assets without paying capital gains taxes.



A CRAT MIGHT NOT BE THE BEST FIT IF YOU...

- ✓ Are NOT seeking a fixed income.
- ✓ Don't want to experience lost purchasing power over the life of the trust, based on the time value of money.
- ✓ Are NOT comfortable with an irrevocable trust.
 - Once the CRUT's terms are set, and you sign on the dotted line, you won't be able to change your mind.

For more information, please email or call our experts ~

Dan Radcliff

*Director, Organizational Investing
and Deferred Gifts*
OR

Lindsay Cart-Turner

*Operations Manager, Organizational
Investing and Deferred Gifts*

888-311- 6530 | OI@eder.org

Other Giving Vehicles to Consider

- ✓ Charitable Remainder Unitrust
- ✓ Charitable Lead Trust

- ✓ Donor Advised Fund
- ✓ Endowment
- ✓ Immediate Charitable Gift