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Gift Annuities - Enjoy cash payments today. Strengthen ministry tomorrow!

In these times of economic uncertainty and low interest rates a gift annuity with the LCMS Foundation is a good alternative. You can establish a gift annuity with as little as \$5,000. This transfer entitles you to a lifetime of regular, fixed payments from the Foundation. If you wish, you may name a second person to receive these payments after your death. At the death of the second income recipient (if one was designated), your gift annuity's remaining value goes to the LCMS ministry or ministries that you designate. This could be your local congregation, Iowa District West, Camp Okoboji, Mission Central, LWML, Lutheran Hour Ministries, Lutheran Family Service or any of your other favorite LCMS ministries. The amount of your payments is determined when you establish your gift annuity. Your payments are based on your gift amount, your age, and the age of your second beneficiary if you named one. A Gift Annuity is especially appropriate for those who place high value on payment security. Gift Annuities offer several tax advantages and high payout rates, particularly for donors at older ages. Your annual cash payment may be divided into frequencies including monthly, quarterly, or bi-annually.

Here is an example of how a gift annuity can be used in a personal gift plan. John and Helen are life long members of a congregation in Iowa District West. They recently contacted

me for a personal visit to learn more about gift annuities. In my visit with them I learned they were interested in a gift annuity for part of their retirement savings because of the regular fixed payments. They also wanted to make a gift to their local congregation, Iowa District West, LWML, Camp Okoboji, Lutheran Family Service, Lutheran Hour Ministries, and Mission Central. After much prayer and deliberation they decided to establish a gift annuity with \$50,000. They were both 80 years old so their gift annuity has a payout rate of 6.1%. The total annual payment will be \$3,050. They also will receive a partial income tax deduction for establishing their gift annuity. Their gift annuity has allowed them to enjoy high cash payments during their lives and make a wonderful gift to their favorite ministries in the future. What a blessing.

Example single life rates are:

- Age 65 - 5.3%
- Age 70 - 5.7%
- Age 80 - 7.1%
- Age 90 - 9.5%

Example two life rates are:

- Ages 65/65 - 4.9%
- Ages 70/70 - 5.2%
- Ages 80/80 - 6.1%
- Ages 90/90 - 8.3%

For more rate information and a gift annuity application contact Jim Schroeder.

ILSTO raises \$307,000 in 2008

More financial assistance than ever before will be available to families who send their children to Lutheran elementary schools next school year thanks to the approximately \$307,000 raised in 2008 through the Iowa Lutheran School Tuition Organization.

According to Dewey Torkelson and Lois Warnholz, program managers for Iowa District West and Iowa District East of the Lutheran Church Missouri Synod, while the fund fell short of its goal of \$480,000, District and school officials were very pleased with the \$307,110.10. "We raised a little more than 64 percent of our total goal," they said.

The ILSTO was established as a result of legislation signed in June of 2006 by the former Gov. Tom Vilsack. That legislation, which is called the Educational Opportunities Act, allowed Lutheran schools to establish a school tuition organization (STO) with huge tax incentives. This enables persons who

percent tax credit on contributions made to the fund and then additional federal deductions usually apply.

This is the third year that the state legislation enabled STOs to raise funds and the state has dictated each year how many tax credits were allowed to be distributed, and thus how much funds could be raised. This is the second year for the Iowa Lutheran School Tuition Organization. In their first year ILSTO raised \$162,369 which was about 47% of its goal.

About 95% of the total contributions were designated to a particular Lutheran elementary school in Iowa. Those funds will be allowed to be used for assistance from their particular schools as long as they have families that meet income requirements to qualify for the tuition grants.

The remaining dollars, about \$20,000, were placed in an unrestricted fund that will be