

Partners IN PLANNING

Spring 2022

Are You Ready to Get Off the Rollercoaster?

Establish Financial Security With Estate Planning

By Chelsea Rollman

Do you feel like life is upside down? Do you want to be a little more proactive about preparing for the future? We understand. As the world continues to move out of the COVID-19 pandemic, many people are evaluating their financial plans and investments. Now more than ever, people are compelled to establish financial security for themselves and their families should another crisis disrupt life as we know it. Between current pressures, preparing for the future, and planning for unexpected events, it can be difficult to know the best avenue for stewarding our finances and giving generously.

MTW's Center for Estate and Gift Planning offers services to help people responsibly manage their resources for the wellbeing of their family and God's kingdom, including a charitable gift annuity. ■



"I've been a part of the PCA for 30 years and have served on the missions committee for two PCA churches. I have a heart and passion for missions so was excited when I learned about the annuity plan through an ad in *Network* magazine and MTW's brochure. A charitable gift annuity is a win-win for everyone and it is hard to get that return elsewhere."

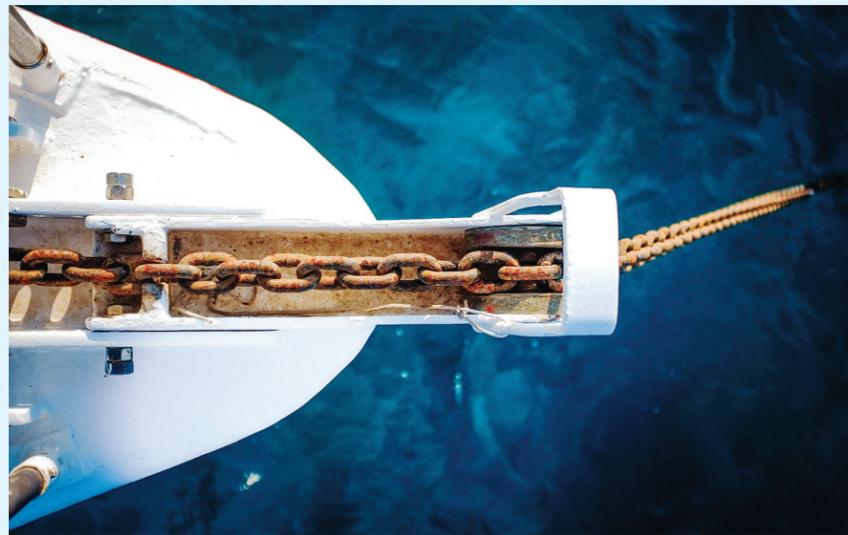
— an MTW Partner in Alabama

"For us there is a double return we receive through our charitable gift annuity with MTW. First, we believe that our money helps further God's work around the world through the ministry of MTW, an organization that we highly respect and have confidence in. Second, we get a good return on our money, which is hard to do with the low cash investment interest rates of today."

— an MTW Partner in Missouri

What Is a Charitable Gift Annuity?

A charitable gift annuity is a lifelong giving contract between you and MTW. First, you make a gift to MTW of either cash or appreciated securities such as stock or mutual funds. In exchange, MTW pays you and/or a designated loved one a fixed sum for life. At the time of your or your loved one's death, the remainder of your gift goes to MTW to support MTW's work of planting churches in communities around the world.



Funding a CGA with stock, mutual funds, or appreciated securities can also reduce capital gains tax. Furthermore, a portion of your annuity payment from MTW is tax free ...

Fixed Payments

The main advantage of a CGA is it provides a secure stream of payments for the rest of your or a designated loved one's life. These payments are a fixed income asset and do not change regardless of market fluctuations. You can choose an annual, semi-annual, or quarterly payment plan. The amount of the payments depends on the size of your gift, your age, and, if applicable, the age of the beneficiary. A CGA is a vehicle that simultaneously supports missions and can increase your income!

Current Rates of Return

Age	For One Life	For Two Lives
65	4.2	3.8
70	4.7	4.2
75	5.4	4.6
80	6.5	5.4
85	7.6	6.5
90	8.6	8.2

Based on current rates of return, if a 65-year-old donor gives \$50,000, their yearly annuity payout is \$2,100 until the time of their death. Rates are as of February 2022. AFR used is 2.0%. MTW offers the rates recommended by the American Council on Gift Annuities.

Tax Benefits

CGAs also offer significant tax benefits. If you itemize your deductions, you can claim a charitable income tax deduction in the year the gift is made. Funding a CGA with stock, mutual funds, or appreciated securities can also reduce capital gains tax. Furthermore, a portion of your annuity payment from MTW is tax free because it is considered a return on the original principle.

The stream of payments is guaranteed and backed by the full resources of MTW. In addition, you build a legacy of kingdom-centered giving that stewards God's provision beyond your lifetime.

A Legacy of Faithful Stewardship

CGAs are a secure way to provide for your household or others while giving generously to the advancement of God's kingdom. Considering the current market volatility, a CGA may be an attractive option since the stream of payments is guaranteed and backed by the full resources of MTW. In addition, you build a legacy of kingdom-centered giving that stewards God's provision beyond your lifetime. Many of MTW's annuitants have established a second or third CGA with us because they experienced the benefits of the first. If you have funds that are not yielding much income or a low interest rate investment, you may want to explore a charitable gift annuity.

We Can Help

MTW's Center for Estate and Gift Planning has been offering CGAs for almost 25 years. Our desire is to help people biblically think through their financial plans and stewardship goals. If you would like to apply for a gift annuity, schedule a free personal and confidential review of your current estate plan, or learn more about MTW's Center for Estate and Gift Planning tools and services, please call Beth Billingsley at 678-823-0028 or email her at beth.billingsley@mtw.org. ■

Two Case Studies in Missional Giving*

Recent Retirees Redistribute Their Estate

A family learned of MTW's Center for Estate and Gift Planning when their son-in-law, a PCA pastor, referred them. The family had recently retired and needed to update their estate documents. We met with them, and they went through MTW's confidential estate design process. In doing so, they realized their estate had grown to a value of \$1 million. After being asked the question, "Whose is it?" they replied that God is the owner of all.

There are only three ways money can be distributed at death: family, ministry, and taxes. They realized God was calling them to distribute their estate to family and as a tithe to ministry at the time of their death. MTW proposed a charitable gift annuity of \$100,000 might fit into their estate goals. After praying through what they felt God wanted them to do, they exchanged \$100,000 for an MTW CGA.

The result was increasing their income with a fixed payment during their lifetime and getting a charitable income tax deduction during their lifetime for what they were planning to do at death. Fifteen years later, they remain very pleased with their decision.

A Widow Reduces Her Taxes

Mrs. Montague is an 80-year-old widow who had a \$10,000 certificate of deposit (CD) with a 2.0% annual return. She established an MTW annuity with the \$10,000, received an immediate charitable income tax deduction, and now receives annual payments at a 6.5% rate of return, based on her age. Because of the charitable tax deduction, and because part of the payment is tax free, her effective rate is 9.5%.

She exchanged a low-return CD for a higher annual income, financial security, a charitable income tax deduction, and the joy of knowing that her gift will make a lasting gift to missions when she is gone.

*Case studies are representative examples.

Thoughts on Giving

By Dr. Paul Kooistra

When thinking about giving, we must remember it is both an important spiritual grace and spiritual discipline. The desire and ability to use the resources entrusted to us for the advancement of His kingdom is a gift from God. In ways beyond all human understanding, God takes our gifts, multiplies them, uses them, and repays the giver with blessing. We are made to live as ambassadors in this world living in a way that reflects our citizenship in the kingdom of heaven.

Stewardship is not only a grace, but also a spiritual discipline. Just like praying, studying Scripture, and going to church, our giving impacts our relationship with Jesus. God uses our giving to stretch our faith. When we consider God alone is our provider who has given the indescribable gift of His Son, we are encouraged to trust Him with everything we have. Stewarding our income, bank account, investments, time, and talents is an act of worship.

This is Paul's whole point in 2 Corinthians 8 and 9. After encouraging the church to give generously in the face

of trial and poverty in chapter 8, Paul explains the purpose and benefits of a cheerful giver.

“He who supplies seed to the sower and bread for food will supply and multiply your seed for sowing and increase the harvest of your righteousness. You will be enriched in every way to be generous in every way, which through us will

You will be enriched in every way to be generous in every way, which through us will produce thanksgiving to God.

produce thanksgiving to God. For the ministry of this service is not only supplying the needs of the saints but is also overflowing in many thanksgivings to God” (2 Corinthians 9:10-12).

God's resources are never limited. He gives us all we need and all He wants us to have, but we must give it away in order to gain it. As we become involved in

God's global outreach, our own worlds expand, and we are enriched.

As Americans living in one of the richest countries in the world, we battle a materialistic mindset. During uncertain financial times, we are tempted to fearfully hoard our wealth. Yet an obsession with material riches leads to poverty in the experience of God.

Giving is an important part of living a holy and happy life. Scripture teaches these two things always go together. It is not surprising countless studies show that people who are benevolent are happier than people who are not. The “harvest of righteousness” that comes from undergirding God's servants far exceeds the cost. Nothing compares to the joy of giving to the One who gave us everything. ■



Dr. Kooistra is a former Coordinator of MTW and author of several devotionals. If you would like a copy of his book *Giving is Worship* let us know on the enclosed response card.

We trust you have found this issue of **Partners in Planning** to be helpful. We look forward to answering any questions you may have about the information shared here.

Please take time now to complete the response card to receive information on our estate design and gift planning services. We are here to help you in any way we can.

Please write or call our office to let us know how we can be of assistance.

For will and estate planning purposes, our legal name and address are:

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