

Deferred Charitable Gift Annuity

Your goals

Are you planning to retire in a few years? Would you like to lower your taxable income after you retire while qualifying for a charitable tax deduction today? Do you have appreciated securities you'd like to turn into a source of retirement income but worry about capital gains tax? Do you want to make a more significant charitable gift to Mills than might be possible through an outright gift? Consider including a deferred charitable gift annuity with Mills College as part of your financial plan or retirement strategy.

How it works

A deferred charitable gift annuity is a combination of a gift to a charitable organization, such as Mills College, and a deferred annuity. You transfer cash or publicly traded securities to Mills in exchange for our guarantee to pay a fixed income to you or another beneficiary. You defer the start of receiving

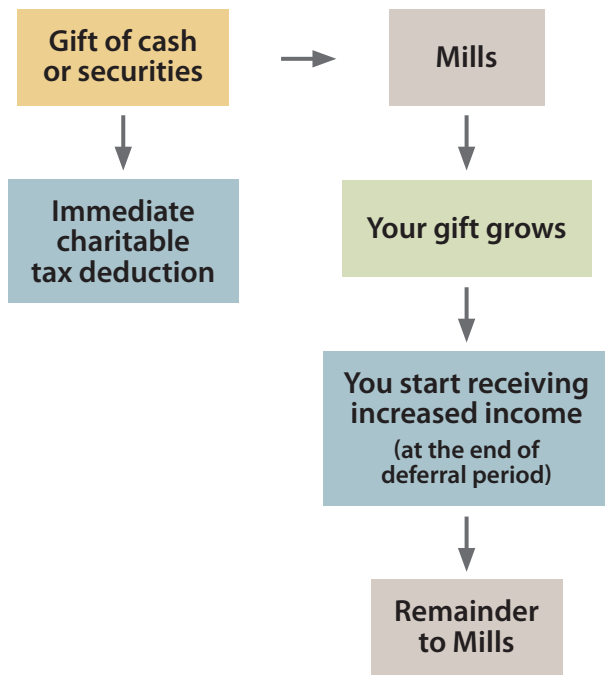
income payments to a date or event at least one year in the future. During the deferral period, the value of your gift increases, tax free. You or your beneficiary may receive payments for life or for a term of years.

Annuity rates are determined by the anticipated age that the beneficiary will be at the time income payments begin. The minimum age to begin receiving income payments is 60. However, you may be any age to open a deferred gift annuity with Mills. Your gift qualifies for a charitable tax deduction on the date you open the annuity. The minimum gift to fund your first charitable gift annuity is \$15,000; it is \$5,000 for subsequent gift annuities.

Example

If you are 60 years old and make a gift of \$15,000 to Mills today but plan to wait until you are 65 to start receiving income payments, your annuity rate will be 5.3 percent. The amount of your annuity will be \$795, of which \$490 will be tax-free income. The portion of your gift that is tax deductible* is \$4,868.

Deferred Charitable Gift Annuity



Your benefits

- Your gift qualifies for an immediate charitable tax deduction today.
- Your annuity income is fixed and guaranteed and will not change with market conditions.
- By deferring your payments by at least a year, your annuity rate will be higher, increasing the amount of your income.
- A significant portion of annuity income is exempt from income tax.
- You can turn appreciated securities into a reliable source of income and partially bypass capital gains tax.

(continued on back)

* Depending on the IRS discount rate at the time you make your gift.

Mills College offers charitable gift annuities to donors living in the following states and district: AZ, CA, CO, DE, DC, GA, IL, IN, KS, KY, LA, ME, MA, MI, MN, NE, OH, OR, PA, RI, SC, SD, UT, VT, VA, WI, and WY

Benefit to Mills

The remainder of your gift will benefit Mills at the end of the annuity horizon. With a deferred charitable gift annuity, you may be able to make a more significant charitable gift to Mills than you thought possible—for example, in honor of your class Reunion. The amount of your gift counts toward your class’s giving total today.

Your next step

Contact the development staff in the Mills’ College Office of Institutional Advancement for a detailed personal illustration of how a deferred charitable gift annuity might benefit you. Your customized report will include your annuity rate, income tax deduction, and capital gains tax savings. Your inquiry will be kept confidential.

Please call 877.PG.MILLS (1.877.746.4557) or email planagift@mills.edu to get started today!

Deferred Charitable Gift Annuity Rates for Gift of \$15,000						
Date of Birth	Age on Gift Date	Age when Income Begins	Annuity Rate	Annuity Payment Annual Income	Tax-free Portion of Income	Charitable Tax Deduction*
1959	55	60	5.0%	\$750	\$454	\$3,699
1954	60	63	4.9%	\$735	\$466	\$4,981
1954	60	65	5.3%	\$795	\$490	\$4,868
1954	60	70	6.8%	\$1,020	\$537	\$6,045
1949	65	70	5.8%	\$870	\$543	\$5,928

Rates became effective January 1, 2012. Income is guaranteed for life; gifts are irrevocable; not available in some states. Rates, amounts of tax-free income, and charitable deduction are subject to change.

* Deduction may be taken over the following 5 years after making your gift. The amount of deduction depends on the IRS discount rate at the time you make your gift.

Information provided herein or by Mills College is not intended as financial, legal, or tax advice. Please consult an attorney or other professional advisor before taking action.