

Charitable Lead Annuity Trust

A charitable lead annuity trust allows you to make a substantial gift to SSM Health in the form of fixed annual payments and pass assets to your family or other heirs at reduced tax cost. A charitable lead annuity trust may be right for you if:

- You have substantial assets that you do not need for your own financial security.
- You want your gift to make a difference at SSM Health starting immediately.
- You would like to provide for your family or other heirs.
- You could consider a gift of \$250,000 or more to benefit SSM Health and your heirs.
- You would like to save gift taxes, estate taxes, and probate costs.

Example:

James Pascal spent his career building a successful manufacturing business, which he sold a few years ago for \$10,000,000. He and his wife, Debbie, have three children who are in their 30s. James has been reviewing his estate plan with an eye toward adding a major gift to SSM Health. Funding a charitable lead annuity trust offers an excellent way for James to provide generous support to our patients and pass assets to his three children. James chooses to create a \$2,000,000 trust that will pay \$130,000 to SSM Health each year for 20 years.

Benefits:

- The Pascals three children will split approximately \$2,409,955* when the trust ends
- The Pascals will earn a gift tax charitable deduction of \$2,000,000**
- The assets used to fund the trust will not be taxable in their estate
- SSM Health will receive \$2,600,000 from the trust over 20 years

** Assumes the trust assets earn a 7% annual net return*

*** The Pascals' charitable deduction may vary depending on the timing of their gift.*