

# Giving, Getting through a Charitable Gift Annuity

By Janet Lubman Rathner



Rhoda Minowitz (far left) in her favorite role circa 1965: camp counselor.

**T**hroughout her long and active life, Rhoda Minowitz has worn a multitude of hats.

There was the figurative teacher's cap, donned while working as an early-childhood educator in Brooklyn and Queens, N.Y., and Los Angeles. That was followed by the "data-entry beret," worn for 25 years back in the days before the advent of barcodes.

"Today, [data is] all captured with the cash registers. When we did it, it was all written down and sent to us, and we'd key everything in [by hand]," recalls Minowitz, 80, a resident of Somers, N.Y., in upper Westchester County.

The data-entry field was so integral to Minowitz's life that even the family pooches bore monikers related to her profession.

"One was named Mr. Chips. The other we called Cobie, for Cobol software," Minowitz says. Her dog today, Mr. Chad, is named for the infamous hanging chads that defined the 2000 presidential election.

The hat Minowitz loved the most was the actual visor that shielded her eyes from the sun during the months she spent at summer camp, first as a camper and later as a head counselor.

"I would run the programs, from drama to arts and crafts, to swimming, to volleyball. I loved those jobs. They were an extension of my teaching," Minowitz recalls.

And now, thanks to her memories from those halcyon days, there's a new hat gracing Minowitz's head—the "benefactor bonnet."

Following the sale of a house and a co-op, Minowitz established a Charitable Gift Annuity (CGA) through B'nai B'rith, with proceeds earmarked for the organization's Perlman Camp.

"Camp is a wonderful social experience—being with different kids and learning how to function in the world," says Minowitz explaining why she designated Perlman as the beneficiary. "I loved camp when I was a kid."

There is also a pragmatic approach to her generosity.

When a charitable gift annuity is established, there is an agreement that in exchange for a gift of cash, securities, or other assets, B'nai B'rith will pay a fixed sum (based on the donor's age at the time the charitable gift annuity is created) for life to one or two annuitants selected by the donor. The donor also gains from this arrangement.

## Benefits include:

- 1) A federal income-tax deduction in the year the gift is established, which may be spread out over five years.
- 2) Taxes on only part of the gain for the donor if the annuity is funded with an appreciated asset; if the donor is the annuitant, this tax will be spread out over many years.
- 3) Reduced probate costs and estate taxes.
- 4) High-rate fixed income for life or a term of years, part of which is tax-free.

"I made a profit when I sold my properties and paid a lot of taxes," says Minowitz, who established a \$10,000 CGA.

One of her goals was to offset the taxes she paid with the immediate tax deduction a CGA affords.

"The immediate tax write-off was \$4,500, and then I get \$800 per year. I take it quarterly for the rest of my life. It's a wonderful investment. You don't get 8 percent on anything," Minowitz says.

The payments are guaranteed by the general resources of B'nai B'rith. The older the designated annuitants are at the time of the gift, the greater the fixed income B'nai B'rith can agree to pay. Parts of the annuity payments are tax-free.

Minowitz says she enjoys her golden years all the more, knowing that B'nai B'rith is benefiting from her financial success.

"I've had a nice life [and] I'd like to do something for the Jewish people," Minowitz says. "When you have a big profit to write off, a [Charitable Gift Annuity] is the way to do it. You're giving and you're getting." **PT**

*For more information, including a no-obligation calculation of your B'nai B'rith Charitable Gift Annuity, please contact the B'nai B'rith Foundation of the U.S. by phone at 800-656-5561, by e-mail at [plannedgiving@bnaibrith.org](mailto:plannedgiving@bnaibrith.org), or by mail at B'nai B'rith International, 2020 K Street NW, Washington, DC 20006.*