

Charitable Gift Annuities: The Complete Resource Manual 2022 Update

Dear Client,

We are pleased to announce that an updated electronic release of *Charitable Gift Annuities: The Complete Resource Manual* is now available.

If you have questions or comments about the CGA Manual, you can reach us by phone at 888-474-2252 or email at support@pgcalc.com.

Installation Instructions

The installation program provides complete instructions as you run it. If you have any concerns or problems with installing the CGA Manual, please call PG Calc Client Services at 888-474-2252.

1. Close all Windows applications that are currently open. **You should install the update to the default directory.** If you installed your CGA Manual to a directory other than the default and you do not know where it is saved or how to find it, call PG Calc Client Services at 888-474-2252.
2. Using your Internet browser, go to <https://www.pgcalc.com/cga-manual-download-2022>. Click "Download CGA Manual" to begin the download. Your browser will prompt you to "Run this program from its current location," "Open this file," or "Save it to your computer." Select either "Run" or "Open".

If your browser or organization policies do not permit you to Run or Open download files, select "Save" and click "OK". You will see a *Save As* window. Select a location where you want to save the download *cgaman2210.exe* file (anyplace except the ultimate destination of the CGA Manual). Make a note of the location where you save the download file. Locate the file named *cgaman2210.exe* and double-click the file.

3. You will be prompted for a password sent to you by PG Calc through email.
4. By default, the CGA Manual will be installed into the *C:\Program Files (x86)\PG Calc\CGA Manual* directory on your local hard drive. Two shortcuts will be added to your desktop:
 - CGA Manual
 - Prototype Documents
5. To verify a successful update: open the CGA Manual. You should see "Revised October 2022" at the top of page 1 (the Title Page).

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Highlights of the 2022 Update

The 2022 edition of *Charitable Gift Annuities: The Complete Resource Manual* includes updates to the Prototype Materials. A directory to the Prototype Materials can be found on pages xxiv-xxv of the *CGA Manual*. Although they are not listed in the directory, we have also updated for several states the annual filing documents that are included with the Prototype Materials.

The 2022 edition includes a discussion of the 2010CM mortality table published by the IRS in May, suggestions for marketing gift annuities after the recent increase in ACGA rates, the tax implications of gifts of life insurance after Rev. Rul. 2020-5, results from the 2021 ACGA gift annuity survey, and numerous other additions and clarifications.

Other substantive changes or additions are noted below. Smaller edits that clarify an existing point or provide consistency in phrasing, punctuation, and format are not separately noted, nor are updates to state contacts or websites in the state regulatory chapters. Because the annuity rates suggested by the ACGA changed in July 2022 and the monthly charitable mid-term federal rate has changed dramatically in the past 12 months, we have updated all examples affected by these changes. These changes are not separately indicated in the list below.

Page Number	Change
2.4-5	Discussion of 2010CM mortality table and when to use it to compute gift annuity charitable deduction rather than 2000CM mortality table
3.3	Discussion of results from 2021 ACGA gift annuitant mortality study
3.7	Rationale behind the increase in ACGA rates, effective July 1, 2022
3.7-9	Marketing gift annuities after the recent increase in ACGA rates
5.59	Revised sample letter regarding deduction for unrecovered investment in contract
10.3	Updated discussion of self-insuring vs. reinsuring gift annuities in light of changes in ACGA rates and interest rates
11.21	Note about New York's focus on charities maintaining current investment policy statements and on maximum annuity rates; also, New York now accepts members of SIPC as custodians of reserve assets, in addition to banks and trust companies.
11.24	No action in Pennsylvania on legislation that would add de-risking annuity contracts to list of assets that count toward asset requirements
12.3	Starting in 2022, California requires charities newly applying for a permit to include date lines to go with the signature lines on agreements
13.7	New York removes guidance on diversification of reserve investments
16.20	Tax implications of a gift of life insurance in light of Rev. Rul. 2020-5
16.24-25	Summary of provisions in H.R. 2954 regarding a gift of IRA assets to fund a gift annuity or charitable remainder trust

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- 16.25 Options for using retirement assets to fund a gift annuity
- 16.28 Example of gift annuity funded with IRA assets if H.R. 2954 enacted
- 16.36 What to report on Form 8282
- 20.10 Updated discussion of deduction available to annuitant for assigning annuity interest to the charity
- 20.11 Example of deduction calculation for assigning to charity an annuity funded with long term appreciated property