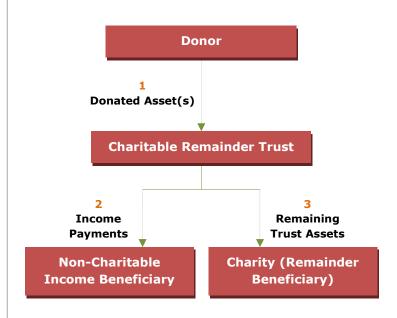
Charitable Remainder Trust in Action

How Does a Charitable Remainder Trust Work?



- The donor transfers the donated asset(s) to an irrevocable charitable remainder trust and receives a current income tax deduction based on the value of the charity's remainder interest.
- 2. The non-charitable income beneficiary (e.g., donor, spouse, other family member) receives a stream of income for life or a term not to exceed 20 years.
- **3.** At the end of the income period, the **charity** receives the remaining trust assets.

Charitable Remainder Trust Variations:

Gifts of remainder interests are deductible for federal income tax purposes only if made to one of the following:

- 1. charitable remainder annuity trust (CRAT);
- 2. charitable remainder unitrust (CRUT); or
- **3.** pooled income fund.

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