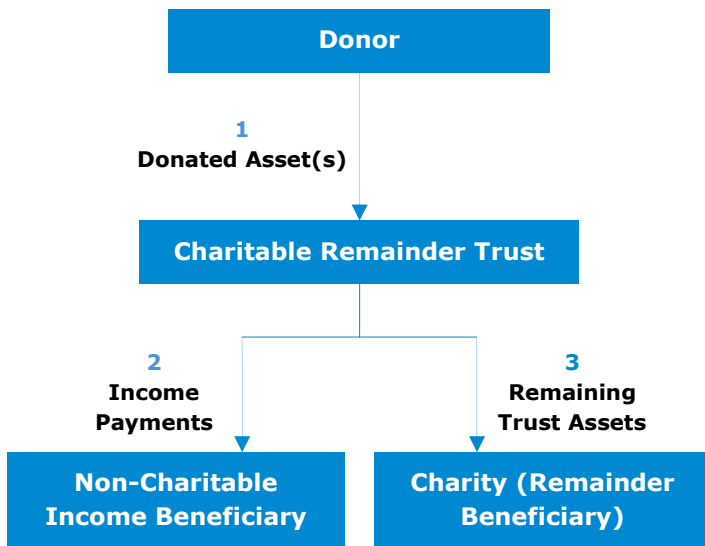


Charitable Remainder Trust in Action

How Does a Charitable Remainder Trust Work?



1. 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:

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