

# Charitable Remainder Annuity Trust - One Life

Prepared for: [Donor name](#)

## A. Input Assumptions

Date of transfer	<a href="#">January 16, 2022</a>
Fair market value of property transferred	<a href="#">\$1,000,000.00</a>
Nearest age on the date of the gift for <a href="#">Beneficiary 1</a> is	<a href="#">89</a>
Annual annuity rate	<a href="#">6%</a>
Payment frequency	<a href="#">Quarterly</a>
Is payment at beginning or end of payment period	<a href="#">End</a>
The discount rate (effective 1/2022) is	1.6%
The mortality table is based on the census taken in	2000

## B. Calculation of Present Value of Remainder Interest (for Number of Lives)

1. Fair market value of property transferred	\$1,000,000.00
2. Annual annuity rate	6%
3. Annuity amount payable on an annual basis	\$60,000.00
4. Factor for present worth of an annuity (based on Table S)	4.4838
5. Line 3 annuity amount times Line 4 factor	\$269,028.00
6. Adjustment factor for payment frequency (from Table K)	1.006
7. Adjusted annuity value (Line 5 * Line 6)	\$270,642.17
8. Amount of first annuity payment if payment is made at beginning of period for a non-term annuity trust (otherwise 0)	\$0.00
9. Present value of annuity interest (Line 7 + Line 8)	\$270,642.17
10. Minimum value of annuity interest (lesser of Line 1 and Line 9)	\$270,642.17
11. Present value of remainder interest = the tax deduction (Line 1 - Line 10)	\$729,357.83

## C. Calculation of Tax Deduction for Charitable Remainder Annuity Trusts

Fair market value of property transferred	\$1,000,000.00
Present value of remainder interest in annuity trust factor as a percent	72.94%
Present value of remainder interest = the tax deduction (Line 1 * Line 2)	\$729,357.83
10% remainder interest test	Passed
Probability that the annuitant will survive to the exhaustion of the fund	0.05%
5% probability test	Passed

NOTE: This calculation is provided for educational purposes only. The type of assets transferred, the actual date of the gift, and other factors may have a material effect on the amount or use of your deduction. You are advised to seek the advice of your tax advisors before implementing a gift of this type.

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