Applicable Mid-Term Rate Election Charitable Gift Annuity

Donor Name:

Taxpayer ID:

[Donor Name:]

[Taxpayer ID:]

According to Reg. Sec. 301.9100-8(a)(1), I [*we*], [*Name(s) of donor(s)*], am [*are*] making an election as provided under Section 7520(a) of the Internal Revenue Code.

The interest being valued is a charitable gift annuity agreement with ABC Charity made on [*date of gift*]. The payout rate of the gift is [gift annuity rate]%, payable for the lifetime benefit of an individual [*individuals*], age [*age(s) of annuitant(s)*].

To value the transferred interest, I [*we*] elect to use the [*percentage for the month used – may be either of the two months preceding the gift month*]% rate under Section 7520 for [*month, year used*] (120% of the Applicable Mid-Term Federal Interest Rate compounded annually and rounded to the nearest two-tenths of one percent).

**Instructions** **to** **Donor**

You are receiving the above election statement because the IRS discount rate used to compute the value of your charitable contribution was based on a rate for one of the two months prior to the month of your gift.

The IRS requires a planned gift donor to make an explicit election in the event that the value of the donor's charitable contribution was computed using the IRS discount rate for either of the two months prior to the month of gift. The month of your gift is [*month, year of gift*] and the IRS discount rate used to compute the value of your charitable contribution is for [*month, year of rate used*].

You must attach the election statement to your federal income tax return for the tax year in which you claim your income tax charitable deduction for this gift. You should provide your tax preparer with a copy of this election statement.

If you are filing your federal income tax return electronically and are also filing a Form 8283, Noncash Charitable Contributions, you can submit this election statement separately on paper as an attachment to the Form 8283 by using a Form 8453, U.S. Individual Income Tax Transmittal for an IRS *e-file* Return. Otherwise, you will have to file your entire tax return on paper in order to attach this election statement. Please consult your tax preparer for guidance.