

Enhancements

Income tax and capital gains tax calculations

We have made a range of improvements to *PGM Anywhere* to support the calculation of income tax and capital gains tax, as well as values related to these taxes. They are described below.

Tax rate questions

There is a new *Tax Rates* window, which is accessible from the left navigation. The questions asked in this window match the questions asked in the Income/Cap. Gains Tax Rates window in *Planned Giving Manager (PGM)*, such as federal and state income and capital gain tax rates, and whether the 3.8% Medicare surtax applies. You also can enter different tax rates for the donor and the beneficiary. The only difference between *PGM* desktop and *PGM Anywhere* with respect to tax rates is that *PGM Anywhere* doesn't allow you to vary beneficiary tax rates over time.

Advanced investment assumptions

As in *PGM* desktop, *PGM Anywhere* now asks for the following advanced investment assumption in follow-up windows of applicable gift options: % of income exempt from tax, % of income taxed as qualified dividends, and annual asset turnover %. These entries enable you to estimate the taxes for gift plans, such as charitable remainder trusts, that are invested in a mix of assets.

Tax calculations included in projections

The projection presentations now include income tax and capital gains tax calculations. Except for non-grantor lead trusts, the calculations are based on your answers to the new tax rate questions. In the case of non-grantor lead trusts, tax calculations are computed using the income tax schedule and capital gains tax schedule for estates and trusts. This approach is similar to the approach in *PGM* desktop, although *PGM Anywhere* uses an improved method for calculating capital gains tax. *PGM Anywhere* also handles tax computations for a CRT funded with ordinary income property better than *PGM* desktop does. Income tax and capital gains tax calculations are also included in the new Return Based on Cost of Plan chart (see below).

“Show projected benefit to payment recipient” added to Customize>Calculation Options

We have added a new “Show projected benefit to payment recipient” question that allows you to show the projected benefit to the payment recipient(s) before or after taxes have been subtracted. The new option appears in a new Projections group at the bottom of Customize>Calculation Options.

Taxation Schedule presentation

The new Taxation Schedule replicates the Taxation Schedule available in *PGM* desktop. It displays in detail the taxable character of beneficiary payments during each year of a projection. In the case of charitable remainder trusts, it also tracks the annual balance in each tax tier. The Taxation Schedule is found in the new Projection Charts group of the Presentations window (see below).

Return Based on Cost of Plan presentation

The new Return Based on Cost of Plan chart replicates the Return Based on Cost of Plan chart available in *PGM* desktop. This chart enables you to compare the effective return of different life income plans and non-charitable options, given income tax savings from the charitable deduction and capital gains tax due, if any, as well as the taxable character of plan distributions. The Cost Reduced by Capital Gains Tax Savings and Return Based on Total Payments from Plan charts in *PGM* desktop are not being implemented in *PGM Anywhere*. The Return Based on Cost of Plan chart is found in the new Basic Charts group of the Presentations window.

Investment Assumptions presentation

The new Investment Assumptions chart replicates the Investment Assumptions chart available in *PGM* desktop. It displays in detail the income, appreciation, and cost of sale assumptions during each year of a projection. The Investment Assumptions chart is found in the new Projection Charts group of the Presentations window (see below).

Charts group split into Basic Charts and Projection Charts groups

To simplify the selection of charts in the Presentations window now that we've added three more to the list, we have split the Charts group into separate Basic Charts and Projection Charts groups. Although we have separated the charts into two separate groups, you can still select any of them at the same time.

No Gift to Charity option

We have created a new No Gift to Charity gift option that takes the place of the Kept Intact and Sold & Reinvested gift options in *PGM* desktop. When "Sell all assets in first year" is set to no for No Gift to Charity, it matches *PGM* desktop's Kept Intact option. When this question is set to yes, No Gift to Charity matches *PGM* desktop's Sold & Reinvested option. No Gift to Charity includes a new annual amount to spend option that lets you specify net income, a % of assets, a specific amount, or none. *PGM* desktop assumed net income would be spent. The No Gift to Charity option allows you to compare the benefits of a donor funding a planned gift to the donor keeping the gift asset as is or selling and reinvesting it. It also takes the place of the No Trust option in *PGM* desktop for lead trust projections.

Six new templates and seven updated templates

We have added six new templates, bringing the total in *PGM Anywhere* to 37. The new templates all compare a life income plan to No Gift to Charity options. Go to Open > Type of case: Template > Gift vs. No Gift Comparisons to pick any of the new templates. In addition, we have updated seven of the existing projection templates to include the new Taxation Schedule chart.

Export to Excel

We have added the ability to export charts and graphs to Excel. An Excel icon now appears in the icon bar at the top of the Results window. Click this icon to export your currently selected charts and graphs to Excel. Like *PGM* desktop, *PGM Anywhere* does not export diagrams or narratives to Excel.

User role doesn't require Cases permission set

In previous releases, the Cases permission set was required in every User role. Now it is not. This change allows you to give a user permission to view and edit Customize and/or User settings without being able to run calculations. For example, you can assign this role to Information Technology staff who are responsible for software, but have no role in fundraising.

Investment assumption questions removed for Bequest to Charity, Bargain Sale, and RLE

We have removed all investment assumption questions for the Bequest to Charity, Bargain Sale, and Retained Life Estate gift options. These values are not used in any calculations for these gift options, so there is no need to ask for them.

Tools usability improved

Entries in any of the Tools functions, such as Life Expectancy and Present Value of Future Bequest, are now preserved throughout a session. Previously, Tools entries were reset to the system defaults every time you closed and reopened the Tools menu. Also, we have added access to the Personalization window from the Tools left navigation. This change will make it easier to enter Personalization information for use in Tools charts. The information entered in the Personalization window under Tools is shared with the Personalization window accessible from the Main Screen and vice versa.

Fixed Bugs

The issues listed below were present in the 8/17/2017 release of *PGM Anywhere*, but are now fixed.

<BEQUESTORNAME> is not replaced when narrative includes sample bequest language

You can set up sample bequest language under Customize > Organizations > Bequests. If you include "<BEQUESTORNAME>" in your sample language, your entry for "Identify organization in bequest language as" now replaces "<BEQUESTORNAME>" when the sample bequest language appears in a narrative. Previously, "<BEQUESTORNAME>" appeared.

If you hard-coded your organization name in place of <BEQUESTORNAME> as a workaround, you may wish to change back to <BEQUESTORNAME> now that this feature is working properly.

Age at date of first payment could show as "-1"

When one annuitant age or birth date was entered and a deferred gift annuity selected, two ages appeared on the "Age at date of first payment" line on the Actuarial Calculations and Non-Charitable Interest Actuarials charts. The second age appeared as "-1". Now, only the one correct age appears in this situation.

Saved case overwrote another client's case with same case name and donor name

When a case saved in the database was given the identical case name and donor name as an existing case saved in the database by a different client, the case being saved would overwrite the other client's existing case. This no longer occurs. Different clients can save independent cases in the database with identical case name and donor name. It continues to be true, however, that within a single client account, two cases saved in the database cannot have the same case name and donor name.

"- Annual" appeared in Your Current Assumptions when it shouldn't

When you opened a template or case saved in the database or an .inpx file, and that template or case included a retained life estate, bequest to charity, or pooled income fund, the description of the gift option in the Your Current Assumptions window would include "- Annual" at the end. The payment frequency is not relevant for these gift options, so "- Annual" no longer appears under these circumstances.

Gift annuity rate table label could be wrong for flexible gift annuities

With the "ACGA rates effective on gift date" option selected under Customize > Calculation Options > Gift annuity rate table and "Show gift annuity rate table name on summary and comparison presentations" set to Yes, the wrong table name could be displayed for a flexible gift annuity when the gift date was before the effective date of the current ACGA rate table. The error - "ACGA2018" being displayed rather than the ACGA rate table corresponding to the gift date entered - depended on the order of inputs. It occurred only when the flexible gift annuity was added after the gift date was changed. The gift annuity rates themselves were correct. Only the label was wrong. The label is now correct.

Double-clicking Done in gift option window caused gift to be added twice

When you select a gift option, a follow-up window opens. When you double-clicked Done at the bottom of that window, rather than single-clicked, the gift option would be added twice under Your Selections. Now, the gift is added just once, regardless of whether you single-click or double-click Done.

Saving a gift with \$0 cost basis to a *GiftWrap* export file caused error

Saving a *GiftWrap* export file when the gift's cost basis was \$0 caused an error when a *GiftWrap* export file had not been created previously during the same session. The *GiftWrap* export now produces a correct export file in this situation.

A bargain sale with a default gift amount of \$1 million or more had a nonsensical cost basis

When you added a bargain sale and the gift amount defaulted to \$1 million or more (because the gift amount of the previous gift selected was \$1 million or more), the default cost basis was "\$NaN". Now, the default cost basis is 50% of the default gift amount in all cases.

Reporting of capital gain could be wrong after a change in Date-Lives-Term information

When a CGA, DGA, or FGA was selected and the gift was funded with long term gain, short term gain, or ordinary income property, and the donor was the annuitant, presentations showed correctly that the capital gain was reportable over the life expectancy of the annuitants. However, if you then changed a value in the Date-Lives-Term window, such as the age or gift date, then clicked Results again, presentations showed that all reportable gain must be reported in the year of the gift. Now, they correctly show that the capital gain is still reportable over the life expectancy of the annuitants. It is all reportable in the year of the gift only if you indicate that the donor *is not* the annuitant.

New Mexico and Virginia disclosure statements at top of prototype agreements were out of date

Earlier this year, we updated the language in the disclosure statements that appear at the top of gift annuity agreements for New Mexico and Virginia donors to bring them in line with current statutes in these states. At the time, we overlooked updating these statements on the prototype agreements for these two states. We have now updated these statements on the prototype agreements for NM and VA. Neither of these states requires filing of prototype agreements so clients will not need to refile because of this fix.

Issues

Age differences on *PGM Anywhere* presentations vs. *PGM desktop* presentations

On several presentations for deferred gift annuities (DGAs) and a few for flexible gift annuities (FGAs), *PGM Anywhere* shows the age of the annuitant as of the annuity starting date whereas *PGM desktop* shows the age of the annuitant as of the date of first payment. For example, when a DGA is shown on the Comparison of Benefits chart in *PGM Anywhere*, the age shown in the DGA column heading is based on the annuity starting date, but in *PGM desktop* it is based on the date of first payment. We expect to resolve this discrepancy between the two products in future releases.

Deduction wrong for grantor lead trusts funded with short term gain or ordinary income property

The charitable deduction computed for a grantor lead trust funded with short term gain or ordinary income property is based on the value of the property transferred rather than the donor's cost basis in the property. This set of facts is highly unlikely to arise in practice, but we will fix this issue in the next release.

Flexible gift annuity values could be slightly positive instead of \$0

In the unusual case of a two-life flexible gift annuity funded with appreciated property where the reportable capital gain was reported over one life and was great enough to crowd out all tax-free income, a small tax-free amount could be shown rather than \$0. A \$0 tax-free amount is now shown in this situation.

“Font is not available. Select another font from the list”

This message appears when you attempt to select a different font (while viewing Results) if the requested font is not resident on the device on which you are running *PGM Anywhere*.

In Firefox on a Samsung Galaxy (an Android-based tablet), this message appears anytime you attempt to change the font, regardless of whether the font is resident on your device. In this case, try changing the font while running *PGM Anywhere* in a different browser or on a different device.

Field value doesn't highlight when tapped on an iPad

This is standard browser behavior on the iPad. There is an expectation that tapping a field will highlight the entire field in future versions of Chrome and Safari.

User must click Done twice to make action occur

In Firefox only, there are some actions that can be completed only when you tap twice in a row rather

than the usual once. The solution is either to tap twice in these situations or to run *PGM Anywhere* in a different browser. Instances where this happens include:

- If you edit a Gift Annuity or Deferred Gift Annuity gift option, typing in new date of first payment for GA or DGA under Gift Options requires clicking Done twice.
- When you edit or add a Pooled Fund or Disclaimer under Customize and click Done
- When you change the gift date or birth dates in the Date-Lives-Term window and then click another item in the left navigation bar, such as Results, you have to click twice in the left navigation bar to move on. This behavior occurs when you type your date change into the field, but not if you use the calendar control to revise the date.

Disclaimer text is cut off on the right

Disclaimer text can get cut off on the right when the font is too big. Try reducing the font size. Choosing a different font without changing the size might also help.

iPad sometimes doesn't display second age in Date-Lives-Term window

If you are working on an iPad and enter a second age or birth date in the Date-Lives-Term window, open a different window (tap Results, for example), then open Date-Lives-Term again, the second age/birth date is not visible. If you then tap Results, the second age will still appear on the chart and the calculations will be based on two ages.

In the case of entering birth dates, the second birth date disappears as described only if you type in the complete birth date. If you use the date control to enter the birth date or enter the birth date in mm/dd/yy format rather than mm/dd/yyyy format, the date will not disappear when you leave and then return to the Date-Lives-Term window.

Printing requires PDF download on some browsers

When you choose print in the Results screen, a PDF should open in your browser window and the print dialog should appear. In some browsers, such as FireFox in our testing, the browser instead treats the PDF file as a download. In order to finish sending the print job to the printer in this situation, you will need to go to the downloads screen in your browser and open the file, at which point the print dialog should appear.