

Release Notes for *PGM Anywhere*

Release Date: 12/26/2023

Enhancements

New ACGA rates

On December 26, 2023, the American Council on Gift Annuities (ACGA) announced new suggested maximum gift annuity rates to replace the rates that became effective on January 1, 2023. The rates will apply to gift annuities established on or after January 1, 2024.

For annuitant ages 70 and older, the 2024 single-life rates will be 0.4% - 0.5% higher than the 2023 rates and the 2024 two-life rates will be 0.3% - 0.4% higher than the 2023 rates. In addition, the ACGA has increased the compound interest factor for deferred gift annuity (DGA) rates from 4.25% to 4.75% for all deferral periods. As a result of this increase, the longer the deferral period, the greater will be the difference between the 2024 DGA rates and the 2023 DGA rates. For more details, [see our analysis](#) of the 2024 ACGA rates.

When PGM will use the old rates and the new rates

If you have *Customize > Calculation Options > Gift annuity rate table* set to the default setting of "ACGA rates in effect on date of gift," *PGM Anywhere* will continue to pick gift annuity rates from the 2023 ACGA rates table for gift dates prior to January 1, 2024. It will use the 2024 ACGA rates table for gift dates after that. If you wish to use the 2023 ACGA rates for gift dates after December 31, 2023, change this setting to "ACGA Rates Effective 1/1/2023." If you wish to use the 2024 rates for gift dates prior to January 1, 2024 (not recommended), change this setting to "ACGA Rates Effective 1/1/2024."

If you have a specific ACGA rate table or custom rate table selected, *PGM Anywhere* will continue to use that rate table indefinitely.

If your charity has ACGA rates on file with any regulating states

Note that if your organization has ACGA rates on file with one or more regulating states, you will NOT need to file the 2024 ACGA rates with those states before you offer them starting on January 1, 2024. However, you should NOTIFY those states if you intend to offer the 2024 ACGA rates prior to January 1, 2024 or to offer the 2023 ACGA rates on or after January 1, 2024. You WILL need to FILE new rates with those states before you start offering them in these situations: (1) your organization has non-ACGA rates on file with any of these states and it plans to start offering the new ACGA rates or (2) your organization has ACGA rates on file with any of these states and it plans to start offering non-ACGA rates.

Online Help updated to reflect all changes

We have updated *PGM Anywhere's* Online Help to reflect all changes in this release.

Tax Law Changes

Federal income tax schedule for estates and trusts in 2024

When performing projection calculations for a non-grantor lead trust, *PGM Anywhere* uses the federal income tax table for estates and trusts to compute the income tax owed by a non-grantor lead trust each year. *PGM Anywhere* now uses the 2024 federal income tax schedule for estates and trusts for this purpose. *PGM Anywhere* also uses this income tax schedule to determine when to apply the 3.8% Medicare surtax to non-grantor lead trust taxable income. In 2024, the threshold for applying this surtax is \$15,200 of taxable income.

Narrative Changes

Gift Annuity Agreement

We have made changes to the gift annuity agreement to accommodate regulators in Alaska and California.

1. We have added “established under AS 21.79.040” to the disclosure language at the top of the agreement for Alaska donors.
2. We have added “/ Date” under all signature lines when the donor’s name or officer’s name is printed under a signature line. This additional text was added at the request of California regulators, but we have added it to agreements for donors in all states except New York. New York regulators have indicated that adding “/ Date” to New York agreements would require charities to refile their agreements with New York.

Proposal Letter

Description and/or Example

Long Description and/or Example

Comparative Description

Whenever you produce any of the above narratives for a gift annuity or charitable remainder trust funded with a qualified charitable distribution (QCD), a message appears on your screen. The message lists the QCD requirements, including the donation limit. We have updated this limit, which is adjusted annually for inflation, to the amount for 2024: \$53,000. (The limit for a QCD funding an outright gift in 2024 is \$105,000.)