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Dear PG Calc Client,

I am very pleased to announce the release of ***Planned Giving Manager version 7.1***.

PGM 7.1 features these enhancements and improvements:

- * Tax tables updated with 2014 indexing for inflation, including the \$5,340,000 estate and gift tax exemption amount for 2014.
- * All heading information, including the *Prepared for* name and *Date*, exports to Word when a charity logo is included in presentation headings.
- * Birth dates paragraph in prototype gift annuity agreements uses more consistent terminology in certain 2-life cases.

Learn more about *PGM 7.1*'s new features and improvements on the following pages.

As always, our Client Services team stands ready to answer your questions about using the new features and the software in general. Call Client Services toll free at 888-474-2252. We look forward to helping you use *PGM 7.1* to support your donors and further your mission.

Sincerely,

Gary M. Pforzheimer

Summary of Enhancements

Tax Law Changes

- **Federal gift, estate, and generation skipping tax rates and exemption for 2014**

The exemption for federal gift, estate, and generation skipping tax (GST) made permanent by the American Taxpayer Relief Act of 2012 was \$5 million in 2011. This amount is indexed annually for inflation and is \$5,340,000 in 2014. We have updated *PGM* with the indexed amount for 2014.

This change affects the following illustrations:

- Non-grantor lead trusts in Basic Gift Illustrations
- Gift tax, testamentary, and estate plan models in Life Income Projections
- Non-grantor, testamentary, and super grantor lead trusts in Lead Trust Projections
- Estate Tax and Gift Tax functions in the Tools menu

- **Federal income tax schedule for estates and trusts in 2014**

Lead Trust Projections uses the federal income tax table for estates and trusts when it computes the income tax owed by a lead trust or regular irrevocable trust each year. *PGM 7.1* incorporates for this purpose the federal income tax schedule for estates and trusts for 2014. Lead Trust Projections also uses this income tax schedule to determine when to apply the new Medicare surtax to lead trust taxable income (this threshold in 2014 is \$12,150 of taxable income).

- **IRS discount rates updated through March 2014**

As with every update, we have included all monthly IRS discount rates up to the month of release in order to ensure their accuracy. *PGM 7.1* incorporates discount rates through March 2014.

- **Tax tables in *PGM* Help updated for 2014**

PGM Help includes numerous federal income, estate, and gift tax tables for reference. Where appropriate, these tables have been updated to include indexed values for 2014. See *PGM* Help – Contents – Tables – Federal Income Tax and *PGM* Help – Contents – Tables – Federal Gift and Estate Tax to review all of these tables.

Gift Annuity Agreement Changes

- **Birth dates paragraph in prototype agreements improved in certain two-life cases**

Paragraph 4, under the heading “Birth Dates ...” in the prototype gift annuity agreements has been improved to use more consistent terminology in the following two-life cases:

- One donor, joint annuitants, one is the donor - *[name of first annuitant]* is now *[name of donor]*.

- Two donors, joint annuitants, both are donors - *[name of first annuitant]* is now *[name of first donor]* and *[name of second annuitant]* is now *[name of second donor]*.
- Two donors, successive annuitants, both are donors - *[name of first annuitant]* is now *[name of first donor/first annuitant]* and *[name of successor annuitant]* is now *[name of second donor/successor annuitant]*.

Bug Fixes

- **Prepared for name and date with logos export to Word**

When including a charity logo in presentation headings, choosing Edit in Word would result in the *Prepared for* name and sometimes the *Date* not being exported to Word. This issue has been fixed.

Enter “logo” in *PGM’s* Help Index to bring up topics that provide full details on how to add your charity’s logo to presentation headings.

- **Inconsistent spacing between logo and first line of text in certain narratives**

The Long Description and/or Summary, Comparative Description, and Gift Information Summary narratives include a charity logo in the upper left corner when one is included in presentation headings generally. We found that the spacing between the charity logo and the first line of text beneath it was inconsistent in these narratives. The discrepancies became magnified when these narratives were exported to Word. We have made adjustments to these narratives so that this spacing is consistent when viewed/printed in PGM and when exported to Word.

- **Narratives could display nonsense characters when certain fields left blank**

When a narrative follow-up question is left blank, nonsense characters were sometimes being inserted into the narrative. This would happen, for example, when a Gift Annuity Agreement asked for annuitant birth dates (because you entered ages in the Lives and/or Fixed Term window) and you didn’t enter them. Now, these values will display as blank in narratives when not filled in under Narrative Follow-up Questions.