



Planned Giving Manager Suite

Planned Giving Manager/Mini Manager/Gift Annuity Manager

Windows Version 7.6 Update

June 2022

Dear PGM Client,

I am pleased to announce the release of **Planned Giving Manager version 7.6**. This update incorporates the new IRS mortality table, 2010CM, that is currently optional for valuing planned gift deductions and life interests.

PGM 7.6 also includes the new ACGA rates that will go into effect July 1, 2022, as well as several other enhancements. We added the new ACGA rates to *PGM* desktop for the first time in our recent *PGM 7.5H* update. The changes included in *PGM 7.6* are detailed on the following pages. Please review them before you use your updated software.

If you have any questions about the software, please do not hesitate to call Client Services toll free at 888-474-2252. We look forward to helping you get the most out of *PGM 7.6*.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kara", with a long, flowing horizontal stroke extending to the right.

Kara Morin
Director of Client Services

Summary of Enhancements

- **New 2010CM mortality table added**

We have added the new 2010CM mortality table for computing planned gift charitable deductions and valuing other split interests. Per proposed regulations published by the IRS, donors can choose between 2010CM and 2000CM (the table used for these calculations since 7/1/2009) when computing deductions for gifts made on or after 1/1/2021. Table 2010CM will become the required table for performing these calculations on the first day of the month after the IRS publishes final regulations.

In the Gift Date-IRS Discount Rate window, you will now see an “IRS mortality table” menu near the bottom of the window when you enter a gift date on or after 1/1/2021 and a gift term based on lives or lives and a fixed term. Calculations will be based on the mortality table you pick: 2010CM or 2000CM.

In most cases, you will maximize the donor’s tax benefits by choosing Table 2000CM. There are some situations, however, where picking Table 2010CM will maximize the donor’s tax benefits. See the “Which Mortality Table Should Your Donor Choose” section of our [blog post about Table 2010CM](#) for guidance.

- **Presentation changes reflect selection of 2010CM mortality table**

When the IRS mortality table question appears in the Gift Date-IRS Discount Rate window, the selected table appears in the footer of all charts and graphs. In addition, citations in the Actuarial Calculations and Non-charitable Interest Actuarials charts reflect the mortality table selected.

- **Default number of years for FGA elective payment start dates reduced to ten**

We have learned from our clients that the typical flexible gift annuity offers ten years of elective payment start dates. So, we have reduced the default value for the *Last payment start year in range* to correspond to ten years of elective payment start dates (down from 20 years). This also means *PGM 7.6* now matches *PGM Anywhere*.

- **Year Projection Ends default value matches the default value in PGM Anywhere**

The default value for Year Projection Ends (appears in Life Income Projections only) now matches the default value for this question in *PGM Anywhere*. In both programs, the 2012 IAR mortality table is used to determine this value.

- **Calculations can be performed when the IRS discount rate is 0% or negative**

In late 2020, the IRS discount rate was down to 0.4%, alarmingly close to 0%. Although the IRS discount rate is above 3% now, we have revised *PGM 7.6* so that it can perform deduction calculations and other computations on a hypothetical basis when the IRS discount rate is 0% or even negative. In all likelihood, the IRS discount rate will never go that low, but if it does *PGM 7.6* can handle it. *PGM Anywhere* can handle 0% and negative IRS discount rates, too.

- **IRS discount rates updated through July 2022**

The monthly IRS discount rates are hard-coded in the software through June 2022. You can add new rates for months after June 2022 only. We’ve added the July 2022 rate for you.

Narrative Changes

- **Default answer to two Narrative questions changed**

We have changed the default answer to two narrative questions so that the default answers now match *PGM Anywhere*. In the Acknowledgment Letter, *Will this gift establish a fund or trust?* defaults to No. In the Gift Annuity Agreement when a New York donor state is selected, *The gift will be* defaults to Unrestricted.

Bug fixes

- **Retained life estate deduction could be slightly low in some cases**

When you computed the charitable deduction for a retained life estate where the age of the beneficiary plus the estimated useful life was less than 110, the deduction amount could be slightly lower than the correct amount. *PGM* desktop's default estimated useful life is 45 years, so in most cases the deduction was correct unless one or more beneficiaries were younger than 65. We have fixed this bug. The deduction amount is now correct no matter the ages of the beneficiaries and the estimated useful life value.