



FUND A LEGACY

The UUA Pooled Income Fund

Many people, from many times and places, have received, cared for, and shaped Unitarian Universalism. The loving community and liberating power of our liberal religion is a flame burning strong and bright—a compassionate faith that delivers justice and hope to an all-too-often broken world.

Earlier generations gave time, passion, and money to this free-church tradition. We have benefited from the commitment and generosity of those who walked this path before us. We walk together, today, to preserve and extend Unitarian Universalism for many generations to come.

This brochure describes how the UUA makes it possible for you to help yourself, your loved ones, and the future of our faith with one gift to the Pooled Income Fund (PIF).

How does the Pooled Income Fund work?

All PIF contributions are commingled for investment purposes. Each gift is assigned a fixed number of “units of participation.” The value of one unit usually grows over time, offering a hedge against inflation. The value of the gift made to charity after the income recipients have died is often greater than the original contribution.

Participants receive quarterly payments representing their share of the actual interest and dividend earnings of the PIF investments. By law, capital gains are never paid out to individuals; any increase in market value remains in the Fund for reinvestment. The UUA, or whichever UU congregation or organization you designate, will ultimately receive the full fair market value of units assigned to your contribution.

Can I make a gift to my own congregation?

Yes, the UUA's Umbrella Giving Program enables you to designate the beneficiaries as your congregation, other Unitarian Universalist entities, the UUA, or a combination of these up to 100%, all managed at no cost to you or the beneficiary. To help the Association to continue to provide this free service, we hope you will give at least 25% to the UUA, but you are free to give all or part of your gift to any UU entity.

Who can receive PIF payments?

One or two people receive payments for the rest of their lives. Usually the donors receive income, but you may name others. Life partners typically receive income jointly. The minimum age for income recipients is 55.

What is the minimum gift amount?

The minimum initial amount is \$5,000 for a gift that will benefit one or two qualified UU organizations. You can add to your original gift in increments of \$1,000. If you wish to provide for more than two charitable beneficiaries, the total gift amount must be at least \$10,000.

How often are payments made?

Quarterly: at the beginning of January, April, July, and October. Payments are mailed to your home address or wired directly to your bank account.

How much does the PIF pay?

Payments will vary according to investment performance. The average annual return on market value for 2008 was 3.65% and for 2007 was 4.55%. Trustees strive to provide a reasonable and reliable income stream, setting long-term goals for a minimum dividend and interest return of 5% on the gift amount.

Are payments taxable?

Yes. PIF payments constitute ordinary taxable income. Annual statements for income tax reporting are mailed by the end of February.

Can I give stock or mutual fund shares?

Yes. Highly appreciated, low-yielding securities are very cost-effective assets to give. You avoid capital gains taxes, and you may double your income!

Will I get an income tax deduction?

Yes. You will be eligible to claim a one-time, charitable income tax deduction for a percentage of your gift based on actuarial data and the historical rate of return of the PIF.

Who manages and administers the Fund?

The UUA and State Street Bank and Trust of Boston, MA are co-trustees of the UUA Pooled Income Fund. All gifts are added to this trust account and invested and managed separately from UUA institutional funds.

Does the Fund follow socially responsible investing?

Yes. All UUA investments follow a socially responsible investing strategy that excludes companies that manufacture tobacco-based products or earn a significant portion of their revenue from the production and sale of weapons. We reserve the right to withdraw investments from companies that are known to mistreat their employees, pursue discriminatory practices, or act in blatant disregard for the environment. For more information on the socially responsible investment activities of the UUA, please visit www.uua.org/finance/sri/.

How will a PIF gift work for me?

The Office of Legacy Gifts is happy to provide you with information about the income and tax consequences of a gift in your particular situation. To request a personalized gift illustration, please contact us.

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