

## Flip Charitable Remainder Trust

### Allows You To:

- Make a gift of cash, stock, or real estate.
- Receive a tax deduction for a portion of your gift.
- Minimize your income stream until you need it

### How You Benefit:

- You receive a charitable income tax deduction in the year that you make your gift, but minimize income until you need it and enjoy tax-free growth on the trust assets.
- If you fund your trust with stock or real estate, you avoid paying immediate capital gains taxes on the appreciation.
- You can set up a trust to pay income to multiple people, either for their lifetimes (if they are age 50 or older), or for a specific number of years (up to 20).
- You can also list more than one charity as a remainder beneficiary.

### How does it work?

- When the term of the unitrust is over, the trust assets are transferred to UT Health San Antonio to support a purpose you designate.

### Planning Tips

- If you fund a trust with an illiquid asset, such as real estate, you can choose to have the sale of the asset cause your trust to flip (and begin paying you more income the following year).
- You can choose a triggering event (such as your birthday, a birth, or a death) or a specific date to flip the trust.
- The income from a unitrust will vary from year to year. Many donors choose a five percent payout rate to help preserve their purchasing power over time.

