

POOLED INCOME FUND

The Pooled Income Fund is an excellent financial and estate planning tool for individuals and also important in securing the long-term stability of the San Diego History Center.

To determine whether a gift to the Pooled Income Fund would assist you in reaching your goals, ask yourself the following questions:

- Do you view the San Diego History Center as an important cultural and educational institution in our community?
- Would you like to help the San Diego History Center carry out its mission, which includes preserving and sharing our historical collections and helping all generations understand and appreciate the richness of the history of the San Diego region?
- Do you own any tradable securities, which though highly appreciated in value, produce little dividend income?
- Would you like to increase the income from those securities without realizing the capital gain tax which would likely result from their sale?

If your answers to these questions are "YES", a gift to the San Diego History Center's Pooled Income Fund may be an attractive option for you.

Consequences of a gift of securities to the Pooled Income Fund:

- The donor receives a current year income-tax deduction, which is calculated with the age or ages of the named income beneficiaries, the income history of the Pooled Income Fund and the market value of the securities on the date of the gift as factors.
- The gifted securities are sold by the trustee without tax consequences for the donor. The proceeds are used to purchase shares of the income-producing Pooled Income Fund.
- The income produced by those shares of the Pooled Income Fund is paid quarterly to the donor or to other designated income beneficiaries.
- Upon the death of the donor, or that of a surviving income beneficiary, shares of the Pooled Income Fund, representing the original gift, are

withdrawn from the Pooled Income Fund and distributed to the San Diego History Center without being included in the donor's taxable estate.

An example of a gift to the San Diego History Center's Pooled Income Fund:

A husband and wife, ages 72 and 70 respectively, own shares of a common stock with a market value of \$15,000. Its cost basis is \$5,000. The annual dividend is \$150, just 1% of market value. By donating this stock to the San Diego History Center Pooled Income Fund, the husband and wife achieve the following:

- Receive a current year income tax deduction of about \$5,000.
- Establish a lifetime income stream, currently 7.60% of the value of the gift, thus increasing annual income from \$150 to \$1,140.
- Remove the stock from their taxable estate for estate tax purposes.
- Experience the satisfaction of supporting the History Center and its mission.

For more information about the San Diego History Center's Pooled Income Fund, please contact the Development Department at development@sandiegohistory.org or 619-232-6203 x102.