

# Pooled Income Fund

## What is a PIF and how does it work?

A Samaritan's Purse Pooled Income Fund (PIF) supplies lifetime income to you and a future benefit to the ministry. Your significant gift to Samaritan's Purse is combined with those of others to create a pool of investable assets that is much larger than each individual gift alone. The assets are professionally managed by our investment partners under our supervision.

Your gift qualifies for a charitable income tax deduction in the year it is made. There is no limit to how often you may donate into the PIF. Every \$10,000 you donate to the fund is assigned one unit of participation. For example, your donation of \$300,000 allows 30 units to be assigned to you. Income is paid to the income beneficiaries based on the number of units assigned to them, and each unit receives an equal amount of the total distributable income for the year. Investment income may be paid quarterly and capital gain, if applied to income, is distributed annually.



## What are the benefits?

- Income
- Charitable income tax deduction
- Samaritan's Purse handles all the investments, administration, and tax reporting for the PIF. You receive a simple K-1 form annually to report the income on your personal tax return.
- After your lifetime, the amount of principal represented by your units in the fund is released for ministry projects.

## What circumstances work best for a PIF?\*

Appreciated assets work best for charitable donations because they allow you to donate the full value of the asset without first selling it and having the proceeds reduced by capital gains tax. Such assets may be real estate, investments, business interests, etc. PIF beneficiaries must have other sources of income so they are not solely dependent on fund performance. They must be able to tolerate variable income payments and some market risk. Investment goals for the fund are long-term and may experience short-term volatility. Please speak with our legacy planning team to learn more.

