

## **Santa Rosa Memorial Hospital Foundation Pooled Income Fund Summary**

A charitable pooled income fund operates somewhat like a mutual fund. When you open an account in the fund, you receive a certain number of unit shares. The fund then pays you income proportionate to those shares. Upon the death of account holder(s), what remains in the fund goes tax-free to Santa Rosa Memorial Hospital Foundation. Here are the fund highlights:

- 1) The Fund pays your or your beneficiary(ies) quarterly income for life.
- 2) Contributions to the Fund are tax deductible for those who itemize. How much you can deduct is determined by the amount of your contribution and the age of the beneficiary you select. The older the income beneficiary, the greater the deduction.
- 3) Contributors often give appreciated securities to charitable pooled income funds because the fund can sell these securities without being subject to capital gains tax.
- 4) After the death of all beneficiaries, the gift principal passes to Santa Rosa Memorial Hospital Foundation to support its work. The gift principal is not subject to estate tax.
- 5) The financial objective of the Pooled Income Fund is to realize income consistent with some growth of principal. Income from the Fund will fluctuate with changes of market and economic conditions.
- 6) The initial minimum contribution to the Santa Rosa Memorial Hospital Foundation Pooled Income Fund is \$5,000. Contributions of \$1,000 or more are allowed anytime thereafter.
- 7) Pooled Income Fund contributions should be looked upon primarily as gifts, not as investments.
- 8) Pooled Income Funds were developed in 1969 to allow individuals to contribute into a common charitable trust to gain the tax and income advantages available before only to those who could afford to establish their own charitable trust.

9) The Pooled Income Fund gives contributors the same tax and financial advantages of most individual charitable trusts without their having to contribute the more substantial amounts individual trusts require or to pay set-up costs.

To find out the tax deduction you should claim, the current rate of return of the Fund, and the answers to any other questions you might have about Santa Rosa Memorial Hospital Foundation and its Pooled Income Fund, call Susan Sudduth, Santa Rosa Memorial Hospital Foundation Director of Planned Giving, at (707) 525-5300 ext. 4679 or at [susan.sudduth@stjoe.org](mailto:susan.sudduth@stjoe.org).