

8 Tips to Help Frontline Fundraisers Win at QCDs in 2019

In 2018, nonprofits saw an average 73% increase in Qualified Charitable Distributions (QCDs) due to taxes and demographic changes. Frontline fundraisers are increasingly asked by donors & bosses to become experts in this type of giving. **Here are 8 tips to get you smart quickly and help make the most of QCDs in 2019.**

1. **Understand why QCDs are becoming popular:** Only 9% of Americans now itemize deductions on their taxes (down from 30% in 2017). Because a QCD comes directly out of the IRA, it counts as a decrease in income (instead of a deduction) and **QCDs will lower taxes for a donor whether or not she is itemizing this year.**
2. **Individuals who are at least 70.5 years old and have a traditional IRA are eligible.** 401(k)s must be rolled over into an IRA. Giving from a Roth IRA provides no tax benefit to the donor.
3. **In order for a QCD to count for this tax year, your organization must cash (not just receive) the check before midnight December 31.** Donors should get their QCD requests into their IRA custodians no later than (approximately) December 10th, as processing can take two weeks or more. *(Note: Donors turning 70.5 in 2019 have until April 15th, 2020 for the funds to be transferred.)*
4. **In order for QCDs to qualify as tax-free giving, donors cannot receive any benefits of value (no tote bags, no gala tickets!).** They also cannot give to DAFs or private foundations. They can, however, use it to fulfill a previous pledge.
5. **Use social proof.** Donors are significantly more likely to give a QCD if they hear about someone like them who has already done so. You may want to say “many of our donors are choosing to use QCDs for these three reasons...”
6. QCDs are the first time many donors think about using the IRA as a giving vehicle. **While donors are thinking about their IRAs, you may want to suggest that they consider naming your organization as a beneficiary as well.**
7. Required minimum distribution (RMD) requirements are a yearly obligation for your donors, and a yearly opportunity for you! **Keep track of your donors’ “QCD-versaries” and reach out to them six weeks beforehand to remind them to give again.**
8. These gifts are only growing, so educate yourself and your colleagues. [Click here for FreeWill's 2019 QCD report](#) and [here for an explainer from Fidelity.](#)

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