**Frequently Asked Questions (FAQ)**

**What is the minimum age for starting Required Minimum Distributions (RMD)?** Under recent tax law changes under the Secure Act effective January 1, 2020 the age for starting required minimum distributions was raised to age 72.

**What is the minimum age for making a Charitable IRA Rollover gift?**
The minimum age for making a tax-free gift to charity is still age 70-1/2 prior to completing the distribution.

**If I make a Charitable IRA Rollover gift, does it affect my Required Minimum Distribution (RMD)?** The amount distributed to (CHARITY) will be deducted from your RMD in the year of the gift.

**I have heard about “Qualified Charitable Distributions” (QCD).  Is this the same thing as a Charitable IRA Rollover?** Yes.  A QCD is the language used in the tax code, but these gifts are more often referred to as Charitable IRA Rollovers.

**Is there a tax deduction for making a QCD or Charitable IRA Rollover?**
IRA rollover gifts **are not deductible** – but the money is never included in your income in the first place, which for many people is more favorable than a deduction especially if you do not itemize your taxes.

**May I make a gift from my IRA if I have already taken my required minimum distribution (RMD)?** Yes. You can exclude up to $100,000 (per IRA account owner) from gross income for qualified charitable donations. The donation counts toward your RMD but is not limited by your RMD.

**Are IRA distributions already taken by me eligible to gift as qualified charitable distributions?** No. However, you can make gifts from IRA distributions that do not meet the requirements of a qualified charitable distribution. In such cases, the IRA distribution would be recognized as income for income tax purposes and typically would be eligible for a federal income tax charitable deduction. The key question is are you eligible to itemize your taxes to make use of the charitable contribution deduction?

**I have a Roth IRA.  Can I use it for a QCD or Charitable IRA Rollover?**
Roth IRAs are eligible for rollover treatment; however, you may wish to discuss with your financial advisor whether this is the best way for you to give. Roth IRA withdrawals within five years of funding are taxable while an IRA Rollover gift is not taxable.

**I don’t have an IRA.  Can I make a QCD Charitable IRA Rollover from another retirement account?** No, transfers must come directly from an IRA or Roth IRA.  However, if you have retirement assets in a 401(k), 403(b), etc., you may be able to roll all or part of those funds into an IRA, then use the IRA for giving.  Please discuss this with your financial advisor.

**What is the minimum gift size?  Is there a maximum gift size?**
The minimum gift size depends on the policies of your IRA custodian.  The maximum distribution permitted by the IRS is $100,000, per account holder, per year. If your spouse is eligible the maximum gift could be up to $200,000 or $100,000 from each account.

**Are there restrictions on the QCD or Charitable IRA Rollover?**
A rollover or QCD cannot be used to make gifts when the donor receives a benefit in return (i.e., to attend a dinner, special event or be eligible for athletic ticket purchases).

**How do I initiate a QCD or Charitable IRA Rollover?**
In most cases, you should start by contacting your IRA custodian.  If you have an IRA with check-writing features, please be aware that your check must be made out to (CHARITY) and must clear your account by December 31 to count toward your RMD.

**When should I initiate a request for a qualified charitable distribution?**
You may request a distribution at any time during the year.  If you intend that your distribution count toward your RMD, please begin your transfer by early December to allow ample time for your transfer to be completed.

**Are there special forms I need to use?**

Your IRA custodian may have its own form to request the transfer; if not, we have enclosed a sample instruction letter for your custodian.

**Can my IRA gift satisfy a pledge or create an endowment?**Yes!  Payment schedules of various lengths may be established by the donor with a suggested maximum duration of five years for most charities.

**What type of acknowledgement should I expect?**
We will send you a written acknowledgement of your gift to thank you and to confirm the amount of your gift and its intended purpose.  Because there is no income tax deduction, you will not receive a conventional gift receipt.

**Are there other tax advantages to gifting through a qualified IRA?** Yes! Qualified IRA gifts are not subject to percentage of adjusted gross income (AGI) limitations for charitable contributions, are not reportable as income for federal income tax, or for Social Security income purposes. The amounts withdrawn are not subject to state income taxes in most states. Amounts withdrawn from an IRA account are removed from the donor’s taxable estate.

**How do I know if a Charitable IRA Rollover is right for me?**
If you are over age 70-1/2 and have an IRA, the rollover might be right for you if:

* You do not itemize deductions.
* You don’t need your required minimum distribution (RMD).
* Your RMD causes more of your Social Security income to be taxed.
* You are making charitable contributions at your deduction limit, but want to do more.

**I have more questions.  whom should I contact?**
Please call \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ or e-mail us:  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.