

Do we have any church members age 70-1/2 or older?

YES

NO

Do they know they can give from their IRA?

YES

NO

Making a Qualified Charitable Distribution (QCD) from your IRA

Anyone over the age of 70-1/2 has the opportunity to take advantage of a special provision to allow charitable giving from a person's IRA. Federal law permits individuals to gift up to \$108,000 from an Individual Retirement Account (IRA) to a qualifying charity without recognizing the assets transferred as income. You can make such a charitable gift even if you haven't yet reached age 73 (see next paragraph).

Those pesky Required Minimum Distributions

If you have an IRA and you are age 73, then you have reached the age where the IRS requires you to begin taking distributions from your IRA. These distributions are called Required Minimum Distributions (RMDs). Even if you do not need the income and do not want to make these withdrawals from your account, they are required. When withdrawn, your RMDs become taxable income to you.

Charitable Giving from your IRA

This is where the provision for an IRA Charitable Rollover may be of **benefit to you or to someone in our congregation**. Individuals may exclude from their gross income the amount distributed directly to a qualifying charity from their IRA. Your RMD can also be satisfied through such a charitable transfer. This is especially beneficial if you do not itemize deductions.

The good news is Southern Hills UMC can be the charitable recipient

Under this provision, donors benefit by not having to recognize as income the amount contributed directly from their IRA to the eligible charity, which can be **Southern Hills UMC or your favorite ministry**. (*No additional charitable deduction is granted because this would be a double counting of the gift*).

Handle the charitable transfer through the custodian of your IRA

It is important to enact such a gift transfer properly. This means contacting your IRA custodian for the proper instructions and making sure that it is a direct transfer from your IRA to Southern Hills UMC.

The information provided here is intended to be general and educational in nature and shouldn't be construed as a substitute for legal or tax advice. Please consult an independent legal and/or tax advisor for specific advice about your individual situation.

David