



IRA Charitable Rollover

Benefits Available to You

Late in 2017, Congress extended a law that allows you to make a tax-free gift from your Individual Retirement Account (IRA). Known as the IRA Charitable Rollover, this law allows you to make annual tax-free gifts directly from your IRA plan administrator to The Salvation Army.

The law allows individuals 70½ and older the ability to transfer up to \$100,000 per year from their individual retirement account(s) directly to a qualified charitable organization without being subject to income taxes on the distribution.

Here are the Details:

- You are age 70½ or older at the time of the gift.
- You can transfer up to \$100,000 per year directly from your IRA to a public charity. This opportunity applies to IRAs only. *Other types of retirement plans do not qualify for the rollover.*
- Your plan administrator must transfer the funds outright to The Salvation Army or the qualified charity you've requested. There is no charitable deduction. The law does not permit direct transfers to charitable trusts, donor advised funds, life income gifts, or supporting organizations.

Frequently Asked Questions

Q. I've already named The Salvation Army as the beneficiary of my IRA. What are the benefits if I make a gift now instead of after my lifetime?

A. By making a gift this year of up to \$100,000 from your IRA, you can see your philanthropic dollars at work. You are jump-starting the legacy you would like to leave and giving yourself the joy of watching your philanthropy impact those in our community. Moreover, you can fulfill any outstanding pledge you may have already made by transferring that amount from your IRA as long as it is \$100,000 or less for the year. Since there is no charitable deduction, you aren't penalized if you don't itemize.

Q. I'm turning age 70½ in a few months. Can I make this gift now?

A. No. The law requires you to reach age 70½ by the date you make the gift.

Q. Can my gift be used as my required minimum distribution (RMD) under the law?

A. Yes, absolutely. If you have not yet taken your required minimum distribution, your IRA charitable rollover gift can satisfy all or part of that requirement. Contact your IRA plan administrator to complete the gift.

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Q. I have several retirement accounts -- some are pensions and some are IRAs. Does it matter which retirement account I use?

A. Yes. Direct rollovers to a qualified charity can only be made from an IRA.

Q. Do I need to give my entire IRA to be eligible for the tax benefits?

A. No. You can give any amount, as long as it is \$100,000 or less annually.

Q. I have two charities I want to support. Can I give \$100,000 from my IRA to each the same year?

A. No. Under the law, you can give a maximum of \$100,000 total. For example, you can give each organization \$50,000 this year or any other combination that totals \$100,000 or less. Any amount beyond \$100,000 in one year must be reported as taxable income.

Q. My spouse and I would like to give more than \$100,000. How can we do that?

A. If your spouse (as defined by the IRS) is 70½ or older and has his/her own IRA, each of you may give up to \$100,000 from your own IRA.

To make an IRA rollover gift to The Salvation Army, contact your IRA plan administrator and ask them to make a qualified charitable rollover distribution to:

**The Salvation Army
Gift Planning Office
3637 Broadway
Kansas City, MO 64111**

Tax ID# 36-2167910

For help in finding answers to your questions, contact:

**Ed Roberts, CAP® Director of Gift Planning and Capital Funding
3637 Broadway Kansas City, MO 64111
816-805-7049 ed.roberts@usc.salvationarmy.org**

