

THE 2023 GUIDE TO Charitable IRA Rollover Donations



Recent changes to tax laws, called the SECURE Act 2.0, raised the age for required distributions from retirement plans from 72 to 73.

Earlier changes also eliminated the “stretch IRA” by requiring non-spousal beneficiaries who are at least 10 years younger than the plan holder to fully deplete those retirement accounts within 10 years. That means beneficiaries could face tax liability much sooner than anticipated.

Here are two ways you can use those laws to help **AnyNonprofit** advance our future while also eliminating or reducing your tax liability. One option even allows you to earn income on your gift.

THE QUALIFIED CHARITABLE DISTRIBUTION

MAKE A GIFT THAT HAS A POSITIVE IMPACT ON OUR MISSION AND YOUR TAXES

If you’d like to help **AnyNonprofit** and avoid tax liability on required minimum distributions from qualified* retirement accounts, a Qualified Charitable Distribution (QCD) might be the answer.

If you are at least 70½, you may transfer up to \$100,000 each year directly to **AnyNonprofit**. The gift must be distributed directly from the plan administrator to our nonprofit in order to qualify and avoid being taxed. Because we’re a qualified 501(c)(3) nonprofit, you will not pay tax on the distribution, and the distribution can count towards your RMD.**

The \$100,000 limit will be adjusted for inflation in 2024.

THE LEGACY IRA

HERE’S HOW TO TOUCH THE FUTURE AND CREATE YOUR LEGACY—WITH A GIFT THAT PAYS YOU INCOME FOR LIFE

Did you know you can use your qualified* IRA account to make a once-in-a-lifetime gift that will make a big impact at **AnyNonprofit**, spare

you from paying taxes on a government-mandated distribution, and pay you an attractive income for the rest of your life?

The Secure Act 2.0, also called “Legacy IRA” legislation, allows donors who are at least 70½ to make a one-time, tax-free Qualified Charitable Distribution (QCD) of up to \$50,000 from a retirement account to establish a life income gift, either a Charitable Gift Annuity or a Charitable Remainder Trust, that pays you income.

This is a once-in-a-lifetime gift opportunity, and must be completed all in one tax year; there is no rollover or carry forward option.

Because your gift is not included in your taxable annual income, a tax benefit is still realized, even though no charitable deduction is allowed.

The \$50,000 limit will be adjusted for inflation in 2024. This gift will also count toward the total \$100,000 QCD yearly limit.

**Gifts from 401(k), 403(b), and 457 plans are not permitted. However, you may be able to benefit from the plan by rolling your retirement plan over to an IRA—speak with a qualified financial advisor for details.*

*** There is no charitable deduction, however, the entire amount of the QCD is excluded from income — in effect, an above the line deduction whether you itemize or not.*