



Direct Donations from an IRA to RCCPC

At the close of 2015, lawmakers approved the Protecting Americans from Tax Hikes (PATH). A provision of this Act made permanent Qualified Charitable Distributions (QCDs) from individual retirement accounts. This is superb news for Presbyterians looking to support their favorite missions at Red Clay in a tax-advantaged way.

Requirements

- Donor must be 70½ or older at the time the distribution is made
- QCDs are made from IRAs or Roth IRAs
- Distributions must be made directly to an organization eligible to receive tax deductible contributions (certain exclusions apply)
- \$100,000 annual limit
- Charity receiving gift must provide donor proper substantiation of the gift, which Red Clay will do upon request

Benefits

- Can satisfy required minimum distribution (RMD) requirements in year QCD is made
- QCD amount is not included in the donor's adjusted gross income, helping to potentially avoid increased taxes on SSI, higher Medicare premiums, and the loss of deductions/exemptions
- Provides donors that use the standard deduction a tax break for the contribution

Please consult with your tax advisor concerning how the rules for charitable IRA rollovers apply to your specific tax situation. For assistance from RCCPC, contact us at giving@rccpc.org.