

IRA Charitable Tax Rollover Approved by Congress: Allows for Direct Gifts with No Tax Imposed on IRA Disbursements!

The IRA Charitable Rollover provision allows individuals who have reached age 70½ to donate up to \$100,000 per year to charitable organizations directly from their Individual Retirement Account (IRA), without treating the distribution as taxable income. This was made PERMANENT by congress on December 18, 2015. See some conditions below.

How does this benefit your church?

Answer: Consider this another avenue of giving for your donors over the age of 70.5 and receiving disbursements from an IRA, generally referred to as Required Minimum Distributions. Put it in your church newsletter / website, and add this note to your quarterly giving statements.

Note: it must be a DIRECT contribution from the financial institution to your church. No third-party payee.

Stewardship Matters of Virginia

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Certain conditions apply, such as, these funds cannot be made to a private foundation, a supporting organization, or a donor-advised fund. The gifts must be outright (i.e., they cannot be used to establish a charitable gift annuity or fund a charitable remainder trust). And, these gifts are NOT tax deductible because of the other tax savings. If you generally itemize get further advice.

Contact a professional.