



Where Loving-Kindness Gives

IRA Charitable Rollover Frequently Asked Questions

I have heard about “Qualified Charitable Distributions” (QCD). Is this the same thing as a Charitable IRA Rollover?

Yes. A QCD is the language used in the tax code, but they are more often referred to as Charitable IRA Rollovers.

What is the minimum age for making a Charitable IRA Rollover gift?

While the SECURE Act, signed into law in December 2019, extended the obligation to take required minimum distributions (RMD) to age 72 (previously 70-1/2), the minimum age for making a Charitable IRA Rollover, also known as a Qualified Charitable Distribution (QCD), remains at 70-1/2.

If I make a Charitable IRA Rollover gift, does it affect my Required Minimum Distribution (RMD)?

The amount distributed to Acts will be deducted from your RMD.

Is there a tax deduction for making a Charitable IRA Rollover?

IRA rollover gifts are not deductible – but the money is never included in your income in the first place, which for many people is more favorable than a deduction.

I have a Roth IRA. Can I use it for a Charitable IRA Rollover?

Roth IRAs are eligible for rollover treatment; however, you may wish to discuss with your financial advisor whether this is the best way for you to give.

I don’t have an IRA. Can I make a Charitable IRA Rollover from another retirement account?

No, transfers must come directly from an IRA or Roth IRA. However, if you have retirement assets in a 401(k), 403(b), etc., you may be able to roll those funds into an IRA, then use the IRA for giving. Please discuss this with your financial advisor.

What is the minimum gift size? And is there a maximum gift size?

The minimum gift size depends on the policies of your IRA custodian. The maximum distribution permitted by the IRS is \$100,000, per account holder (i.e., per spouse), per year.

Are there restrictions on the Charitable IRA Rollover?

A rollover cannot be used to make gifts when the donor receives a benefit in return (i.e., to attend a dinner).

How do I initiate a Charitable IRA Rollover?

In most cases, you should start by contacting your IRA custodian. If you have an IRA with check-writing features, please be aware that your check must be made out to *Acts Legacy Foundation*, clearly state in the memo or with an accompanying note that it is an IRA rollover, and must clear your account by December 31 to count toward your RMD.

When should I initiate a request for a distribution?

You may request a distribution at any time during the year. If you intend that your distribution count toward your RMD, please begin your transfer by early December to allow ample time for your transfer to be completed.

Are there special forms I need to use?

Your IRA custodian may have its own form to request the transfer; if not, we can provide you with a sample instruction letter for your custodian.

Can my IRA gift satisfy a pledge or create an endowment?

Yes! Payment schedules of various lengths may be established by the donor with a maximum duration of five years.

What type of acknowledgement should I expect?

We will send you a written acknowledgement of your gift to thank you and to confirm the amount of your gift and its intended purpose. Because there is no income tax deduction, you will not receive a conventional receipt.

How do I know if a Charitable IRA Rollover is right for me?

If you are over age 72 and have an IRA, the rollover might be right for you if:

- You do not itemize deductions
- You don't need your required minimum distribution (RMD)
- Your RMD causes more of your Social Security income to be taxed
- You are making charitable contributions at your deduction limit, but want to do more

I have more questions. Whom should I contact?

Acts Legacy Foundation
877-287-0799
Foundation@actslife.org
www.ActsLegacyFoundation.org

Acts Legacy Foundation, Inc. recommends you discuss charitable opportunities with your attorney, financial planner, tax advisor and/or family members before making any substantial gift.

Sample Request for Charitable Distribution from Individual Retirement Account

Dear Sir or Madam:

Please accept this letter as my request to make a direct charitable distribution from my Individual Retirement Account # _____, as provided by the Consolidated Appropriations Act of 2016.

Please issue a check in the amount of \$_____, payable to **Acts Legacy Foundation, Inc.** The Tax Identification Number (TIN) is 91-2161987 and mail to:

Acts Legacy Foundation
420 Delaware Avenue
PO Box 2222
Fort Washington, PA 19034
Attn: Ray Boyle, rboyle@actslife.org

In your transmittal to the charity, please recognize my name and address as the donor of record in connection with this transfer. Please copy me on your transmittal. It is my intention to have this transfer qualify for exclusion during the 20__ tax year. Therefore, it is imperative this distribution be **postmarked no later than December 31st, 20__**.

If you have any questions or need to contact me, I can be reached at _____.

Thank you for your assistance in this matter.

Sincerely,

Signature

Date

Name (please print)



Notice of Charitable Intent

*This notification of your Charitable Intent allows us to provide proper stewardship of your wishes and intentions. Acts Legacy Foundation and Acts Retirement-Life Communities, Inc. are indebted to you for your dedication and support. **This Statement of Charitable Intent is not legally binding, and you may amend or change it at any time.***

I intend to support (check any that apply)

- Acts Legacy Foundation
- Acts Community: _____

Therefore, (please check)

- I have made a provision
- I will make a provision
- I am considering making a provision

To make a Legacy gift through (please check)

- Bequest by Will
- Trust
- Life Insurance
- Retirement Plan
- Gift of Real Estate
- Gift of Personal Property

Please direct my gift intentions to the following area (please choose one):

Acts Family of Charitable Funds

- Samaritan Fund
- Disciple Fund
- Mission Development Fund
- Employee Catastrophic Fund
- Memory Support Services Fund
- Mark Vanderbeck Memorial Scholarship
- Corporate University
- Gerontological Research Fund

Community Fund at _____

- Samaritan Fund
- Community Enhancement
- Wellness Fund
- Grounds & Gardens Fund
- Memory Support Services
- Other: _____
- OakBridge Terrace Fund
- WillowBrooke Court Fund
- Development Fund
- Spiritual Life Fund
- Chapel Fund

Name: _____ Date: _____

Address: _____

Return form to: Acts Legacy Foundation
420 Delaware Drive, P.O. Box 2222, Fort Washington, PA 19034