



The Catholic Foundation of Central Florida

Inspire Giving. Fund God's Work.

How to Make a Charitable Gift from Your IRA

A qualified charitable distribution (QCD), is a direct distribution from your Individual Retirement Account (IRA) to a public charity. Making this distribution can lower your taxable income, which may also reduce the impact to certain tax credits and deductions such as Social Security and Medicare.

A QCD makes it easier to use your IRA assets to make charitable gifts to your favorite causes.

Under current law, withdrawals from traditional IRAs and certain Roth IRAs are taxed as income, even if they are immediately directed to a charity. You may still receive a tax deduction for your donation, but tax law changes have limited the availability of itemized deductions. As a result, many have chosen not to use IRA assets for lifetime gifts. The QCD eliminates this problem because the distribution is not included in withdrawals as income for the year.

What gifts qualify for a charitable IRA rollover?

A gift that qualifies is:

- Made by a donor age 70 1/2 or older prior to completing the distribution
- Transferred from a traditional or Roth IRA **directly** to a permissible public charity, such as The Catholic Foundation of Central Florida, Diocese of Orlando, parish or other Diocesan ministries.
- Completed during the applicable tax year

Is there a limit on the amount that can be given?

Yes. The maximum annual amount that can qualify for a QCD is \$108,000. This applies to the sum of QCDs made to one or more charities in a calendar year. (If, however, you file taxes jointly, your spouse can also make a QCD from his or her own IRA within the same tax year for up to \$108,000.)

What about the required minimum distribution?

If you have not already taken your required minimum distribution in a given year, this gift can count toward satisfying this requirement.

Is an income tax deduction also available?

No. IRA QCD gifts are not deductible – however the distribution is not included in your income in the first place, which for most people is more favorable than a deduction.

What can my IRA gift support?

Your IRA gift can support any parish, school or ministry within the Diocese of Orlando including parish offertory, the annual Our Catholic Appeal, a campaign pledge or to support or create an endowment. Please contact Madelyn Weed at (407) 246-7188 or mweed@cfocf.org for more information and other ways to advance the ministries of the Catholic Church in Central Florida.

How do I make a charitable gift with my IRA to The Catholic Foundation?

Contact your IRA administrator/custodian to initiate the distribution. The check should be made out to The Catholic Foundation of Central Florida, tax ID 26-0879378, and sent to Nia Herald, CFO, The Catholic Foundation of Central Florida, P.O. Box 4905, Orlando, FL 32802-4905.

Let Nia know this distribution will be taking place by email nherald@cfocf.org or by phone (407) 246-7189. She will need your IRA administrator's name, the amount, and what you want it to support (for example, St. Katherine Drexel Society, Endowments *insert name of endowment*, Reserve *insert name of reserve*, etc.). This information is not always included in the check memo field.

Should you have questions, Nia Herald is available to assist you at nherald@cfocf.org or (407) 246-7189.

This information is not intended as tax, legal or financial advice.

Please consult your personal financial advisor for information specific to your situation.