



Using your IRA Qualified Charitable Distribution *Formerly known as the IRA Charitable Rollover*



Laurentians are rolling over to make tax-free gifts from their IRA.

The IRA Qualified Charitable Distribution (QCD) is a terrific way to make a tax-wise gift to SLU. A gift from your IRA can save you taxes whether or not you itemize your deductions. At age 72, your IRA QCD gift can satisfy your annual Required Minimum Distribution (RMD).

Consider these important requirements to make an IRA QCD gift:

- You must be age 70 ½ or older when you make your gift.
- The payment must come from an IRA (401(k), 403(b), SEP IRA accounts, and other retirement accounts do not qualify, although they can usually be rolled into an IRA).
- The payment must come directly from your IRA administrator to St. Lawrence University.
- Each person's total IRA QCD gifts in any one year cannot exceed \$100,000.

- At age 72, your IRA Charitable Rollover can count toward your Required Minimum Distribution (RMD) if you have not already taken your RMD for the year you make your gift.
- Even if you don't itemize deductions and are not yet required to take an annual distribution, an IRA Charitable Rollover offers tax benefits similar to an itemized income tax charitable deduction. Although your IRA Charitable Rollover gift will not result in an income tax charitable deduction, the distribution from your IRA will be excluded from taxable income.

Frequently Asked Questions

Question: *How do I make an IRA QCD gift?*

Answer: Contact your IRA administrator (Ameriprise, Fidelity, Charles Schwab, Vanguard, etc) by phone, their secure online website, fax or mail and indicate that you want to make a Qualified Charitable Distribution (QCD) from your IRA.

Typically, you will be asked to provide three pieces of information.

1. Mailing Address: St. Lawrence University
Office of Planned Gifts
23 Romoda Drive
Canton, NY 13617
2. Federal Tax Identification Number: 15-0532239
3. Amount of IRA QCD gift to the University \$_____.

In most situations, your IRA administrator will issue a check with the memo line indicating it is from your IRA account. The check will then be mailed directly to St. Lawrence's Office of Planned Gifts.

Upon receipt, St. Lawrence's Office of Planned Gifts will send you a letter that acknowledges your IRA Charitable Rollover gift was received and the purpose designated for the gift.

Question: *What age can my IRA QCD gift count toward my Required Minimum Distribution (RMD)?*

Answer: At age 72, it can help you meet your RMD without increasing your taxable income level.

Question: *Is my ability to make an IRA QCD gift limited by the amount of income I earn?*

Answer: No. Although the amount of charitable gifts that can be deducted each year is limited to a percentage of income, these limits do not apply to IRA QCD gifts.

Question: *Since I take the standard deduction instead of itemizing, and do not deduct charitable donations, does this provision help?*

Answer: Even if you don't itemize your deductions, an IRA QCD gift offers the benefits of an itemized income tax charitable deduction by avoiding income tax on the distribution from your IRA. And, if you are subject to a Required Minimum Distribution, your IRA QCD gift can satisfy your RMD without increasing your income taxes.

Question: *How can I use my IRA to provide income to my spouse or someone else?*

Answer: You can direct the remainder of your IRA (or other qualified retirement plan) to a testamentary charitable gift annuity or testamentary charitable remainder trust to provide income to beneficiaries you choose. At the end of their lifetime(s), a gift would be made to St. Lawrence as the charitable beneficiary of this arrangement.



I'm here to answer questions and help. Please contact me at 315-229-5026, kterrell@stlawu.edu, or visit www.plannedgifts.stlawu.edu.

D. Kurt Terrell
Director of Planned Gifts
St. Lawrence University

Because everyone's situation is different, we encourage you to seek professional legal, estate planning, and financial advice before deciding on a course of action. This information does not constitute legal or financial advice and should not be relied upon as a substitute for professional advice.



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