



IRA CHARITABLE ROLLOVER

Maximizing Your Retirement for Ministry

The IRA Charitable Rollover allows taxpayers age 70 ½ or older to make charitable contributions directly from their retirement accounts!

Under the IRA Charitable Rollover provisions, distributions from both traditional and Roth IRA's can be made directly to the donor's selected charitable organization without being included as taxable income to the donor.

This provision offers individuals the continued opportunity to make qualified charitable distributions directly from their retirement account to their church or other ministries.

Who benefits from the IRA Charitable Rollover?

- Donors who do not itemize deductions on federal income tax return.
- Donors who do not need the income from the minimum required distribution (IRA charitable rollover can be used to complete donor's regular church offerings which frees up cash flow from other income sources).
- Donors for whom additional income will cause more of their Social Security income to be taxed.
- Donors whose income level causes phase out of exemptions.
- Donors who give at the 60% of AGI deduction limit.

"Each of you should give what you have decided in your heart to give, not reluctantly or under compulsion, for God loves a cheerful giver."

2 Corinthians 9:7

"All of us can learn good stewardship by enacting the following: spend less than you earn, give generously, avoid debt, plan for financial margin, and set long term goals."

Ron Blue, Co-Founder of
Kingdom Advisors



LOUISIANA
BAPTIST
FOUNDATION

GUIDELINES FOR IRA CHARITABLE ROLLOVERS

- Donor must be at least 70 1/2 years of age.
- Qualified Charitable Distributions (QCDs) of up to \$100,000 annually made directly to a qualified charitable organizations are not included in gross taxable income.
- Only for traditional and Roth IRAs (*Simple IRA, SEPP IRA, 401k, and 403b plans not eligible*).
- QCDs count toward the donor's annual minimum required distribution.
- QCDs are not used to calculate gift limits on Adjusted Gross Income (AGI).
- Donor must instruct IRA Custodian/Manager to transfer funds directly to the qualified charitable organization.
- QCDs must be outright gift (rollovers to donor advised funds, charitable gift annuities, or charitable remainder trusts are generally not eligible).
- Donor can also make a one-time QCD of up to \$50,000 to fund a life income plan, such as a charitable gift annuity or charitable remainder trust.

IRA CHARITABLE ROLLOVER ACCOUNT WITH THE LOUISIANA BAPTIST FOUNDATION

The Louisiana Baptist Foundation provides an IRA Charitable Rollover Account that is a convenient way to direct IRA Charitable Rollover funds when the donor wants to:

- Distribute the funds to multiple organizations, or;
- Make the distribution to ministry in multiple payments, or;
- Remain anonymous to the ministry organizations.

How it works...

- 1) Donor makes a QCD from the IRA to the Foundation.
- 2) Donor provides instructions to disburse the funds to ministries within 24 months of the QCD, and the Foundation makes distributions according to the distribution schedule.
- 3) Upon the death of Donor, any remaining funds will be distributed according to the instructions provided by Donor.

The Louisiana Baptist Foundation has been assisting donors with qualified charitable distributions and other charitable giving options since 1944. Please contact us to learn how your gift can be used for *Advancing the Kingdom*.



This information is **not** to be substituted for legal advice. Consult a knowledgeable legal professional to assist you with your estate planning needs.