



St. Michael the Archangel *Restoring God's House* Capital Campaign
Archdiocese of Detroit | IRA Charitable Gift Rollover Information

Over 70½ years old? Congress has extended and the president has signed the favorable IRA charitable rollover tax provisions for 2015 and made them permanent for future years.

What should a donor over age 70½ do in order to get the benefit that IRA distributions will not be included in taxable income? Donors should follow the same general procedures for IRA charitable distributions as in the past —

- Only **direct distributions to charity** up to \$100,000 qualify as tax-free. Distributions in exchange for a charitable gift annuity or to a charitable remainder trust do not qualify.
- It is especially important that the IRA distribution be made payable to the charity, not to you as the IRA owner and beneficiary. Otherwise, the distribution would not qualify for the favorable tax treatment. **Advise your IRA administrator to make the distribution check payable to the Church or other charity, not to you.**
- Only distributions from traditional or certain Roth IRAs are tax-free; the law does not apply to other qualified retirement plans, such as 401(k) plans. However, you should consider consulting with your financial or tax advisor about the possibility of transferring funds from one of these other qualified plans to establish an IRA, with the distribution to charity coming from the newly established IRA.
- Consult with your IRA administrator and tax advisor on the proper procedures for making a direct distribution to your parish, the Archdiocese of Detroit Endowment Foundation, the Catholic Services Appeal, Sacred Heart Major Seminary, Catholic Charities of Southeast Michigan, or another archdiocesan institution or qualified charity.