



GIVING FROM YOUR IRA

Generous people over age 70 1/2 have a unique opportunity to make charitable donations totaling up to \$108,000 annually directly from your IRA. These Qualified Charitable Distributions (QCDs) offer federal income tax benefits. Here's how it works:

You must be age 70 1/2 – Youngsters will have to wait until they reach this age; note it is earlier than age 73, at which you will have an annual Required Minimum Distribution (RMD). No matter the size of your RMD, your gifts to charities may equal up to \$108,000 and count toward RMD once you reach the required age. If spouses with separate IRAs wish to employ this strategy, they may each use up to the full \$108,000 every year.

You get a tax benefit – On your federal tax return, IRA distributions are treated as ordinary income and incur income tax – except for QCDs, which don't count as income to you. This may also lower Part B Medicare and prescription drug coverage premiums, as your premium amount is based on your modified adjusted gross income. Your state tax impact will vary according to the tax environment in your state of residence; check with your tax advisor for details. Note: for 2025, single filers now have a federal standard deduction of \$15,000 and married joint filers \$30,000. Some taxpayers will find, when coupled with the standard deduction, it is more advantageous to make charitable gifts from their IRAs.

You must make the gift directly – Gifts must go directly from the IRA to the qualified charity. If you take a distribution yourself and then donate the entire distribution to charity, the full amount of the distribution is taxable as ordinary income. Your IRA provider has a specific form you must complete to direct a QCD.

Your gifts cannot go into a private foundation or donor advised fund – QCDs specifically exclude gifts to “non-operating” charities, which include private foundations, donor advised funds, split-interest trusts and supporting organizations. You may make your QCD to any public charity nationwide, including most schools and religious organizations.

You can use QCDs to make annual gifts or meet pledges – Many people make gifts in the same amounts to the same charities every year. Your QCDs can replace those gifts or fulfill a charitable pledge.



You must have an IRA – QCDs cannot be made from other retirement accounts. If you'd like to explore rolling another retirement account into an IRA, talk with your advisor about the tax implications. If you have a Roth IRA, the tax consequences are less favorable as all Roth IRA distributions are tax-free.

If you'd like support, we're here to help! Reach out to us at development@sharemy meals.org.