



## Information Regarding IRA Charitable Rollover Provision

With the passage of the Consolidated Appropriations Act, 2016 (H.R. 2029), individuals over age 70½ can make tax-free distributions from their IRAs to qualified public charities. This is a permanent charitable tax giving incentive.

### **For IRA withdrawals to qualify for tax free “rollover” to charity, the following must apply:**

- Distributions must be made from a traditional IRA or a Roth IRA by an individual at least 70½ years old.
- The maximum amount eligible is \$100,000 in each taxable year (and gift counts toward mandatory withdrawal amount).
- Transfer of funds must be made directly to the charitable organization by the IRA trustee.
- The funds cannot be used to establish a split interest gift (such as a charitable gift annuity or charitable remainder trust).
- The donor can receive no goods or services of value from the charitable organization in exchange for the gift.
- The charitable organization must provide the donor with written verification of the contribution.

### **An IRA gift may be particularly attractive if:**

- The donor is unable to claim additional charitable deductions because of the 50% and 30% AGI limitations (these gifts are not subject to the limitations).
- The donor does not itemize deductions (the donor will enjoy the equivalent of a charitable deduction).
- The donor’s high income level causes the phase out of exemptions (the withdrawal will not add to income).
- The donor resides in a state that does not allow charitable income tax deductions (if withdrawal is excluded from state income tax).

### **Process for making a qualified charitable distribution:**

1. Donor requests IRA trustee/administrator to make a gift directly to the Rose Kennedy Greenway Conservancy.
2. Donor informs the Greenway Conservancy of intention to make gift.
3. IRA trustee/administrator authorizes and sends gift.
4. The Greenway Conservancy acknowledges receipt of gift to trustee/administrator.
5. The Greenway Conservancy acknowledges receipt to Donor, warrants that The Greenway Conservancy qualifies as a tax exempt organization and is neither a donor-advised fund nor a supporting organization and that no goods or services were or will be received in connection with the gift.

Note that distributions from employer-sponsored retirement plans, such as Simple IRAs, 401(k)s, and 403(b)s, do not qualify (although it may be possible to transfer funds from such accounts to an IRA and then to charity). Also note that IRA rollovers may be includable in a donor's income for state and local tax purposes and may not earn an offsetting charitable deduction, depending on state and local law.

In addition, please note:

- Qualified charitable distributions from your IRA for a given tax year are possible by making distributions until December 31 of that year.
- This opportunity will be available for future years, as the IRA charitable rollover is now a permanent tax provision.

### **Sample Letter: Request for Direct Charitable Distribution from an Individual Retirement Account**

Name of IRA administrator

Address

City, State ZIP

RE: Request for direct charitable distribution from an individual retirement account

Dear IRA administrator:

Please accept this letter as my request to make a direct charitable contribution from my individual retirement account number [insert number here].

Please issue a direct transfer of funds in the amount of \$\_\_\_\_\_ payable to the Rose Kennedy Greenway Conservancy (which is a public charity and is not a donor advised fund or supporting organization) to the following address:

Rose Kennedy Greenway Conservancy  
185 Kneeland St.  
Boston, MA 02111  
Attn: Alex Rogers Pittman

In your transmittal to the The Rose Kennedy Greenway Conservancy, please give my name and address in connection with the transfer.

It is my intention to have this transfer qualify as a distribution in [year]. If you have any questions, please contact me at [your phone number].

Thank you.

Sincerely,

Your name

Your address

**For more information, please contact:**

Alex Rogers Pittman

Director of Development, Rose Kennedy Greenway Conservancy

617-603-7727

[apittman@rosekennedygreenway.org](mailto:apittman@rosekennedygreenway.org)