



Charitable IRA Rollover

Make a gift to the Jewish Community Foundation with your Individual Retirement Account (IRA). The Charitable IRA Rollover allows individuals 70½ and older to transfer up to \$105,000 from an IRA to a public charity (such as the Jewish Community Foundation) without triggering federal income taxes today or estate tax in the future. If married, each spouse is eligible for the tax-free IRA transfer.

Please note: current Charitable IRA Rollover legislation does not allow for funds to be transferred into a Donor Advised Fund. We encourage you to seek advice from your professional advisor before you make a charitable IRA rollover gift.

Donors may hear various terms relating to Charitable IRA Rollovers. A Required Minimum Distribution (RMD) is the minimum amount one must withdraw from their IRA each year, generally when they reach age 73 (age updated for 2023). A distribution is an otherwise taxable distribution from an IRA owned by an individual, age 70½ or over, unless it is paid directly from the IRA to a qualified charity.

The charitable IRA Rollover is a special provision allowing donors age 70½ and above to make a Qualified Charitable Distribution – a transfer of IRA assets directly to public charities like the Jewish Community Foundation – thereby excluding that amount from taxable income and counting toward their RMD.

It may be especially advantageous for donors to do this if:

1. You wish to make a qualified charitable gift from your IRA to reduce the value of future distributions you will be required to take in successive years.
2. You do not itemize your deductions and want an increased tax benefit for your giving.
3. You are interested in reducing the taxable portion of your estate (by reducing retirement accounts) and increasing the tax-free portion of your estate through cash, stocks that will get capital gains treatment, or other tax-favorable assets.
4. You want to support charitable projects and programs.

Four ways to turn your IRA into charitable dollars for our community:

- A **Designated Fund** allows you to support the work of specific nonprofits.
- A **Field of Interest Fund** allows you to target charitable causes and interest areas you care about.
- A **Scholarship Fund** allows you to support college education for deserving students.
- A **Community Action Fund** helps address the community's pressing needs as they change over time.

For more information, please call Kathryn Gonnerman, Vice President of Philanthropy, at 860.523.7460.

The tax and other discussion set forth above is included for general information only and is not tax or legal advice. You should consult your own legal and tax advisor in connection with any income tax, gift and planning matters associated with a transfer of shares of stock or other property to a charity. The Jewish Community Foundation of Greater Hartford does not provide legal or tax advice. Any statement contained in this communication (including attachments) is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing, or recommending to another party any transaction or other matter addressed herein.