



Extension of the Charitable IRA Rollover

Extension of the charitable IRA rollover. Fortunately, IRA gifts now can be accomplished **simply** and **without tax complications**. Plus, you can make the gift now—while you are living and able to witness the benefits of your generosity.

Individuals over the age of 70 ½ can make annual tax-free deductions in 2011 of up to \$100,000 from their IRAs directly to their congregation, the UUA, or other UU entity. This is a limited time opportunity.

You may contribute from your IRA if:

- You are age 70½ or older
- The gift is \$100,000 or less each year
- You make the gift on or before Dec. 31, 2011.
- You transfer funds directly from an IRA or Rollover IRA
- You transfer the gift outright to your congregation, the UUA, or other UU entities

How the Rollover Works

Pat, aged 80, has \$450,000 in an IRA and wants to give \$75,000 this year. If Pat transfers \$75,000 from the IRA, she will avoid paying income tax on that amount. She cannot, however, claim a charitable deduction—it is a pure “wash.” Pat has found an easy way to benefit charity without tax complications.

How to Make a Donation

- ① Send a letter to your IRA custodian requesting a rollover directly from your IRA directly to the organization of your choice. (*See sample custodial letter on reverse, a template is available online at www.uua.org/giftplanning*)
- ② Notify the UUA or your congregation of your intentions.

Please plan ahead! It can up to 2-3 weeks for the transfer to take place.

Questions and Answers

Q. I have several retirement accounts, does it matter which retirement account I use?

A. Yes. Gifts can be made from an IRA or Rollover IRA. Pension, profit sharing and other forms of retirement funds do not fall under the new legislation.

Q. Can I use this opportunity to establish a life income gift such as a charitable gift annuity?

A. No. The gift made from your IRA must be treated as an outright gift to qualify.

Q. Does the gift count towards my minimum required distribution?

A. Yes. Donations made directly from your IRA count towards your minimum required distribution. This is an especially effective way of giving for people who find that they do not need all of the income from their minimum required distribution in 2010 and 2011.

Sample Custodial Letter

A template of this letter follows. To make a qualified IRA gift to **your congregation**, just replace the UUA's information with that of your congregation.

Dear Sir or Madam,

The Internal Revenue Code permits an IRA rollover directly from an IRA custodian to a qualified public charity. As the owner of IRA account #[*Your Account*] that is in the custody of your organization, I request that you transfer from that account the sum of [*\$ Dollars*] to Unitarian Universalist Association (UUA), attn: Liz Baker McClain, 25 Beacon Street, Boston, MA 02108. The Treasury Tax ID Number for the UUA is 04-2103733.

It is my intention to make a Qualified Charitable Distribution (QCD) to the UUA from my IRA as permitted by law.

This letter is sufficient authorization for you to make this QCD gift. However, if you require any further documents, please forward those to me for my signature.

Sincerely,

IRA Owner

For More Information

Please feel free to contact the UUA's Office of Legacy Gifts at (888) 792-5885 or giftplans@uua.org for more information about direct contributions of qualified IRA assets or about other planned gifts. As with any substantial gift, we recommend that you consult your tax professionals.

UUA Office of Legacy Gifts
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