

IRA Charitable Rollover

Giving Through Your IRA

If you are like many individuals, your IRA has increased in value over the years and you have more income than you may need. If you are 70 1/2 or older, the IRA rollover gift is a simple and easy way to support charitable causes while not increasing your taxable income. Your favorite charities receive your generous gift, and you avoid any additional tax and satisfy your Required Minimum Distribution (RMD) for the year.

How It Works

- The IRA owner must be 70 1/2 years of age or older.
- Recipient must be a charitable organization, such as the Community Foundation, and we will manage distribution of your gift to one or more charitable organizations that you select.
- Your selected charities must be in good standing and can be local, national, or international.
- Distribution is made from your IRA administrator, and a fund is established at the foundation.
- Your gift can be applied to any Community Foundation funds except for Donor Advised Funds. A fund agreement will capture your charitable goals, selected nonprofits, and any other terms you request.
- You can also designate the Community Foundation as a beneficiary of your IRA, permitting you to continue taking withdrawals during your lifetime and leaving the remaining value to the foundation that will distribute to your selected charities.

Getting Started

Opening a fund with an IRA Rollover is easy to do. Simply contact us for a private consultation so we can best understand your giving needs and create a fund agreement with your selected beneficiaries and terms. Once you initiate the transfer with your IRA administrator, the fund is active and your giving can begin!

Call (509) 663-7716 or email Executive Director Beth Stipe at beth@cfncw.org to make your appointment.

Example of an IRA Charitable Rollover

Karen's IRA had grown substantially over the years and she had almost \$450,000 in her IRA account. Since her income meets her needs, she decided to make a gift of \$10,000 from her IRA to open a Designated Fund at the Community Foundation. Karen called her financial planner and requested the transfer, then signed a simple fund agreement at the foundation that included instructions for distributions to five of her favorite charities. The gifts will be disbursed each year in her name throughout her lifetime and beyond, leaving a legacy to those charities forever.

