

TAX FREE IRA GIFTS

Diocese of Kansas City-St. Joseph 2015 Update

What should I do for 2015?

As you probably know, the 2014 charitable IRA law expired at the end of 2014, after becoming law on December 19. We hope that there will be quicker Congressional action this year to extend or make the law permanent. As with last year, during this time of uncertainty, **you can consider going ahead and making an IRA Charitable gift any time during 2015, but read carefully what follows here. In all cases talk with your financial adviser or institution that holds the IRA.**

- 1. Plan now to make a charitable gift from your IRA this year.** No need to wait on Congress. But since there is no IRA charity law right now, give no more than your Required Minimum Distribution (RMD).

- 2. If the IRA charity provision is extended by Congress this year after your gift:**
 - It would most likely be made retroactive for all of 2015. So your gift would qualify as in past years.
 - There would be no income tax on the gift, and no charitable deduction.
 - You might be able to give an additional amount from your IRA beyond your Required Minimum Distribution, depending on what becomes law.

- 3. If the IRA Rollover is not extended by Congress this year after your gift:**
 - You would still have made a gift to charity from your IRA.
 - You would be taxed as a normal IRA distribution.
 - If you itemize, you could claim a charitable deduction as permitted by law.

To proceed:

- Contact your IRA administrator and ask that the distribution be sent to:
Diocese of Kansas City-St. Joseph, c/o Greg Vranicar, Planned Giving Director
For benefit of your intended parish, ministry or other cause
20 W. 9th St., Kansas City, MO 64105, using a Request Form provided by Kathy Sloss, 816-714-2359 or Greg Vranicar, 816-714-2363.
- We will acknowledge your gift in writing upon receipt.

Questions? Contact us at (816) 714-2363 or vranicar@diocesekcsj.org

(See reverse for more details about charitable IRA gifts)

WHAT YOU NEED TO KNOW ABOUT CHARITABLE IRA GIVING

- **What You Can Give.** Contributions only from traditional IRAs.
- **Age Requirement.** You must be 70 1/2 years old or older when the distribution is made.
- **Directly to the Charity.** Distributions must be made directly from your IRA account to charity, use our Request Form.
- **Professional Advice.** Please consult with your tax or legal professional.

WHO BENEFITS FROM IRA GIVING ?

- **Individuals who take mandatory minimum withdrawals, but don't need additional taxable income.** You can give your Required Minimum Distribution (RMD) directly to a qualified charity without having to report it as taxable income. Contact your IRA administrator to learn the amount of your RMD.
- **Taxpayers who don't itemize their deductions.** The IRA charitable transfer most benefits the nearly two-thirds of Americans who do not itemize deductions on their tax returns and therefore do not receive a tax benefit for charitable contributions.
- **Itemizing taxpayers who've reached the charitable giving limit.** Donors who itemize their taxes are prohibited from deducting more than 50 percent of their adjusted gross income for the purpose of making charitable donations. Donations from an IRA are excluded from this percentage limit, allowing individuals who have reached the 50 percent threshold to give more.