



## *Guidelines for Giving an IRA Charitable Rollover Gift*

### **Background:**

The Protecting Americans from Tax Hikes (PATH) Act of 2015, which was passed by Congress and signed into law by the President on December 18, 2015, made permanent what is popularly known as the IRA Charitable Rollover.

Charitable minded taxpayers have enthusiastically embraced the IRA charitable rollover as an opportunity to transfer up to \$100,000 each year to charity without it being treated as a taxable distribution.

### **Requirements and Restrictions for making your IRA Charitable Rollover Gift:**

- You must be 70 ½ years of age or older.
- Your gift must be made directly from the custodian of your IRA to ***Clear Lake Township Land Conservancy, Inc.*** a charitable 501(c)3 organization.
- Gifts to all charities combined cannot exceed a total of \$100,000 per taxpayer per year.
- Your gift must be outright, and no material benefits can be received in return for the gift.
- Your gift is not included in taxable income, and no charitable deduction is allowed.
- Your gift can only be made from an IRA. Gifts directly from 401(k), 403(b), and 457 plans are not permitted.

### **This may be the right gift for you to make if:**

- You want to make a charitable gift to the Clear Lake Township Land Conservancy to help protect and preserve our beautiful natural resource.
- You are required to take a minimum distribution from your IRA, but you do not need additional income.
- You would like to make an additional charitable gift, but it would not be deductible because of the annual limitation of 50 percent of adjusted gross income for charitable contributions. The IRA charitable rollover is equivalent to a deduction because it is not included in taxable income.
- You do not itemize your deductions. In that case a personal IRA distribution increases your taxable income without the benefit of an offsetting deduction. An IRA charitable rollover will not be included in your taxable income even if you do not itemize other deductions.
- You live in a state where retirement plan distributions are taxable on your state income-tax return, but your state does not allow itemized charitable deductions.
- You have an outstanding pledge to a charity. The IRA charitable rollover can satisfy that pledge without violating rules against self-dealing.

Please complete the attached letter directing your custodial agent to disburse your IRA funds to the Clear Lake Township Land Conservancy, Inc., so meeting your IRA's Required Minimum Distribution (RMD).



\_\_\_\_\_ (Name of IRA Custodian) \_\_\_\_\_ (Date)  
\_\_\_\_\_  
\_\_\_\_\_ (Custodian's Address)  
\_\_\_\_\_ (City, State, Zip Code)

Re: Charitable IRA Rollover – distribution to Clear Lake Township Land Conservancy, Inc.

Dear Custodian, Trustee, or Plan Administrator:

I hereby direct you to make a qualified charitable distribution (charitable IRA rollover) of \$ \_\_\_\_\_ to **Clear Lake Township Land Conservancy, Inc.**, Federal ID #35-1835491, a 501(c)(3) not for profit organization that is qualified to receive charitable IRA rollovers under the provisions of the Protecting Americans from Tax Hikes Act of 2015 extending section 1201 of Public Law 109-280. This rollover should be made from my \_\_\_\_\_ (name on IRA account), \_\_\_\_\_ (account number). It is my intent to make this charitable IRA rollover for the tax year 202\_\_\_\_, which will fulfill part or all of my Required Minimum Distribution (RMD).

I further represent as follows:

1. I am over 70 ½ years of age. My date of birth is: \_\_\_\_\_.
2. I will not receive any benefit from Clear Lake Township Land Conservancy, Inc. as a result of this gift. This rollover is not directed to a charitable remainder trust, lead trust, gift annuity, pooled income fund, donor advised fund, supporting organization, family foundation, or other non-qualified use of a charitable IRA rollover.
3. I understand that a charitable IRA rollover is limited to no more than \$100,000 annually in total from my IRA or all of my IRA's combined.
4. I will not incur any federal income tax liability as a result of this rollover therefore I elect no withholding for this rollover. I will not accept any personal distribution of funds intended for this charitable IRA rollover.

Thank you for your prompt attention to this matter. Please contact me immediately with any questions or the reason for any substantial delay in completing this rollover.

Sincerely,

\_\_\_\_\_  
(Sign your name as listed on the IRA)

\_\_\_\_\_  
(Contact phone number)

**This charitable IRA rollover to Clear Lake Township Land Conservancy, Inc. should be delivered to:** the Executive Director at the address below.