

IRA Charitable Distribution Fact Sheet and Instructions

Generally, a qualified charitable distribution (QCD) is an otherwise taxable distribution from an IRA (other than an ongoing SEP or SIMPLE IRA) owned by an individual who is age 70½ or over that is paid directly from the IRA to a qualified charity. Your qualified charitable distributions can satisfy all or part the amount of your required minimum distribution (RMD) from your IRA.

The maximum annual exclusion for QCDs is \$100,000. Any QCD in excess of the \$100,000 exclusion limit is included in income as any other distribution. If you file a joint return, your spouse can also make a QCD and exclude up to \$100,000. The amount of the QCD is limited to the amount of the distribution that would otherwise be included in income.

Please Note:

- 1) As with any tax matter, please consult with your tax advisor.
- 2) You must be age 70 ½ or older to make a Qualified Charitable Distribution.
- 3) The distribution can be made only from an IRA account, not from any other type of qualified retirement plan.
- 4) The check must be made payable to Pinky Swear Foundation, although it can be mailed to you for delivery or forwarded directly to Pinky Swear Foundation by the IRA administrator.
- 5) Contact your IRA administrator and see if they have a form that you can use to make an IRA direct charitable gift request. If that is not available, the enclosed sample letter can be used to request a direct charitable distribution from an IRA. When you contact your IRA plan administrator, indicate that you are requesting a “Qualified Charitable Distribution” from your IRA account to Pinky Swear Foundation and provide the following contact information and federal tax ID:

Lacey Kraft
Pinky Swear Foundation
5555 West 78th Street, Suite E
Edina, MN 55439
(952) 232-6178

Federal Tax ID: 56-2384527

- 6) Please be sure to notify Pinky Swear Foundation of your contribution. A sample letter is enclosed for your convenience.
- 7) You will not be able to claim a separate charitable contribution deduction for the distribution on your income tax return, but the IRA withdrawal will be tax free and can be used to satisfy your annual minimum required distribution.

**For more information, contact
Lacey Kraft at (952) 232-6178 or lacey.kraft@pinkyswear.org**