

IRA CHARITABLE ROLLOVER INFORMATION

On December 18, 2015 congress reinstated a law that allows you to make a tax-free gift from your IRA. Known as the IRA charitable rollover, this law no longer has an expiration date so you are free to make annual gifts to us from your IRA this year and well into the future.

The reinstated law allows individuals 70½ and older the ability to transfer up to \$100,000 from their individual retirement accounts to a qualified charitable organization without being subject to income taxes on the distribution. Transfers must be made by the final day of the calendar year for the gift to qualify in that year.

YOU MAY CONTRIBUTE FUNDS THIS WAY IF:

- You are age 70½ or older at the time of the gift.
- You transfer up to \$100,000 directly from your IRA. This opportunity applies only to IRAs and not other types of retirement plans.
- You transfer the funds outright to one or more qualified charities.

Note: This legislation does not permit direct transfers to charitable trusts, donor advised funds, charitable gift annuities or supporting organizations.

FREQUENTLY ASKED QUESTIONS ABOUT THE LAW:

Q. I've already named your organization as the beneficiary of my IRA. What are the benefits if I make a gift now instead of after my lifetime?

A. By making a gift this year of up to \$100,000 from your IRA, you can see your philanthropic dollars at work. You are jump-starting the legacy you would like to leave and giving yourself the joy of watching your philanthropy take shape. Moreover, you can fulfill any outstanding pledge you may have already made by transferring that amount from your IRA under this legislation as long as it is \$100,000 or less for the year.

Q. I'm turning age 70½ in a few months. Can I make this gift now?

A. No. The legislation requires you to reach age 70½ by the date you make the gift.

Q. I have several retirement accounts—some are pensions and some are IRAs. Does it matter which retirement account I use?

A. Yes. Direct rollovers to a qualified charity can only be made from an IRA. Under certain circumstances, however, you may be able to roll assets from a pension, profit sharing, 401(k) or 403(b) plan into an IRA and then make the transfer from the IRA directly to The Land Trust for Tennessee. To determine if a rollover to an IRA is available for your plan, speak with your plan administrator.

Q. Can my gift be used as my minimum required distribution under the law?

A. Yes, absolutely. If you have not yet taken your required minimum distribution, the charitable IRA rollover gift can satisfy all or part of that requirement. Contact your IRA custodian to complete the gift.

Q. Do I need to give my entire IRA to be eligible for the tax benefits?

A. No. You can give any amount under this provision, as long as it is \$100,000 or less this year. If your IRA is valued at more than \$100,000, you can transfer a portion of it to fund a charitable gift.

Q. I have two charities I want to support. Can I give \$100,000 from my IRA to each?

A. No. Under the law, you can give a maximum of \$100,000. For example, you can give each organization \$50,000 this year or any other combination that totals \$100,000 or less. Any amount of more than \$100,000 in one year must be reported as taxable income.

Q. My spouse and I would like to give more than \$100,000. How can we do that?

A. If you have a spouse (as defined by the IRS) who is 70½ or older and has an IRA, he/she can also give up to \$100,000 from his/her IRA.

PLEASE CONTACT THE LAND TRUST FOR TENNESSEE WITH QUESTIONS: (615) 244-5263