

## **Donating to Pure Waters Using IRA Qualified Charitable Distributions**

IRA owners who are 70 ½ or older can give money to charities directly from their IRA and not have it counted as income on their tax return. This is called a Qualified Charitable Distribution, or QCD. The giver does not pay tax on the distribution, so the charity gets the full distribution amount.

This strategy is particularly useful for those who are subject to **Required Minimum Distributions** (RMD's). IRA owners who are 72 or older must draw a set percentage from their IRA each year depending on the owner's age. Donating some (or all) of that money directly avoids taxes and counts toward the RMD requirement (up to \$100,000 per year).

Because a QCD is not counted as income, it may also help save on Medicare premiums. Medicare premiums are calculated on modified adjusted gross income, so controlling the amount of income may keep an individual from crossing into a higher premium bracket.

Excluding QCD income does not require one to itemize deductions. For those who do itemize deductions, QCD's cannot also be claimed as an itemized charitable deduction.

Donating an IRA QCD is easy. Just have your IRA trustee make out a check in the name of the charity, in this case Seneca Lakes Pure Waters Association, and either send it directly to us (P.O. Box 247, Geneva, NY 14456) or sent it to you to give to us. It is imperative that the trustee make the check out to the association, not to an individual.

If you qualify, check with your IRA trustee or see this, or similar, link for more information: <https://www.fidelitycharitable.org/guidance/philanthropy/qualified-charitable-distribution.html>.