A Tax-Smart Way to Give Through Your IRA

Seek the advice of your attorney or tax advisor when considering this gift. If you have questions about how this gift can work for you, please feel free to contact us, in confidence and at no obligation.

Q. I have several retirement accounts—some are pensions and some are IRAs. Does it matter which retirement account I use?
A. Yes. Direct gifts 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 Nuvance Health. To determine if a rollover to an IRA is available for your plan, speak with your plan administrator.

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 both like to give. 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 or she can also give any amount up to $100,000 per year from his or her IRA.

Danbury Hospital | New Milford Hospital
Northern Dutchess Hospital | Norwalk Hospital
Putnam Hospital | Sharon Hospital
Vassar Brothers Medical Center

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You can make an impact and save on taxes

Discover what your IRA can do

If you are 70½ or older, you can take advantage of a simple way to support our patients and their families and receive tax benefits in return.

The Details of Making a Gift

The IRA charitable rollover, often referred to as a qualified charitable distribution (QCD), allows you to make a tax-free gift from your individual retirement account (IRA) to a qualified charitable organization without having to pay income taxes on the money. You can make annual gifts to Nuvance Health from your IRA this year and into the future.

How it works

• You are age 70½ or older at the time of the gift.
• You transfer any amount up to $100,000 per year directly from your IRA.*
• You transfer the funds outright to one or more qualified charities. The legislation does not permit direct transfers to charitable trusts, donor-advised funds, charitable gift annuities or supporting organizations.

Why consider this gift?

• Your gift will be put to use today, allowing you to see the difference it is making for our patients and the community.
• You pay no income taxes on the gift. The transfer generates neither taxable income nor a tax deduction, so you benefit even if you do not itemize your tax deductions.
• Beginning in the year you turn 72, you can use your gift to satisfy all or part of your required minimum distribution (RMD).
• Since the gift doesn’t count as income, it can reduce your annual income level. This may help lower your Medicare premiums and decrease the amount of Social Security that is subject to tax.

Frequently asked questions

Here are some answers to questions people often have about this tax-smart way to give.

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, 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.

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. Can my gift be used as my required minimum distribution under the law?
A. If you are at least 72 years old and have not yet taken your required minimum distribution, your IRA 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.

*Consult your advisors if you also make tax-deductible contributions to your IRA.

5 steps to complete your gift

1. Choose the IRA from which you wish to make the gift.
2. Decide the amount of your gift.
3. Contact us for a sample letter you can use to request a direct charitable distribution from your IRA.
4. Submit the required form to your IRA administrator.
5. Share the good news of your gift with Nuvance Health.