

American Baptist FOUNDATION

American Baptist Foundation
420 W. Germantown Pike
East Norriton, PA 19403
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WE CAN HELP YOU MAKE YOUR IRA WORK FOR YOU

When you use the IRA charitable rollover to support your ministry or mission of choice, you have peace of mind. It is like giving yourself a vacation.



GIVE YOUR IRA a Vacation

Last year Congress gave your IRA a much-needed vacation. No one had to make a required minimum distribution from their IRAs. You may be one of those who enjoyed giving your required minimum distribution a year-long break. Everyone loves a vacation, so why not give your RMD another year off?

Make a Required Minimum Distribution Work for You

Last year as part of special legislation, Congress said there would be no RMDs in 2020. This year, the RMD is back for everyone 72 years and older. Most people do not like taking money from their IRA. They have saved for years, and they would prefer to let it grow. Worse yet, when you take the RMD, you pay income tax on that distribution.

The IRA Charitable Rollover Is an Annual Vacation for Your IRA

While you still must distribute money from your IRA if you are 72 or older, you can do it in a tax-advantaged way. If you are age 70 1/2 or older, you can contact your IRA administrator and ask them to make the distribution directly to our mission. When you do:

- You do not pay income tax on the distribution (but you also receive no income tax deduction)
- You receive gift acknowledgment for the full amount of the distribution
- You satisfy your RMD up to \$100,000
- If you and your spouse have your own IRA, both of you can use the IRA charitable rollover



This information is not intended as tax, legal or financial advice. Gift results may vary. Consult your personal financial advisor for information specific to your situation.

The names and images shown here are representative of typical donors and may or may not be actual donors to the organization. Under federal rules your benefits may be different from this example. Please contact us for your specific benefits.

Requirements and Steps to Complete the Qualified Charitable IRA Rollover Distribution (QCD)

Requirements:

- The donor must already be age 70 ½ on the date of distribution to participate in the Qualified Charitable IRA Distribution rollover
- Please note that The Required Minimum Distribution (RMD) age has been changed to age 72, years and older, however anyone over the age of 70 ½ can still participate in the Charitable IRA Rollover Distribution
- Donations satisfy the above Required Minimum Distribution age 72 and above
- Donations can be up to \$100,000

Steps:

- Donor should contact the IRA custodian and tell them they are interested in making a Qualified Charitable Distribution.
- Most IRA custodians have a QCD form on their website or will have you send written instructions. The IRA custodian will let you know their process.
- The donor **MUST** request that the check be made payable directly to the church or ministry. The check should **NOT** be made payable to the donor. If they wish, the donor can forward the check to the ministry, but it must be payable to the ministry.

Please note:

- Ensure that no taxes are withheld-this is a non-taxable event if the requirements are met
- Just to re-emphasize- the check **MUST** be made out to the charity (the church or ministry).
Charity/Ministry's NAME. Please send to your charity or ministry address and deposited to their account. Use your church or ministry tax-ID if required.

IMPORTANT: As a supporting organization, the American Baptist Foundation, **CANNOT** accept contributions directly from your IRA institution. They must go directly to your charity, and directly to the NAME of Charity/Ministry. Please have the IRA institution, broker or bank send the check to charity/ministry and payable to Charity/Ministry. A memo of instruction to the Charity/Ministry may be noted.

If the donor, through their church or ministry, would like to add all or part of this IRA Planned Gift contribution to one of the Endowments that American Baptist Foundation manages, please have your church or ministry send us a check, Payable to the American Baptist Foundation with a memo:

For benefit of (Endowment #) _____

Send check to:

American Baptist Foundation
ABF Accounts
420 W. Germantown Pike
East Norriton, PA 19403