



Gifts Through Your IRA

PetConnect Rescue donors and prospective donors who have reached age 70 1/2: Now you can make a year-end donation from your IRA without income tax consequences.

The IRA Charitable Distribution provision has been made permanent.

The IRA Charitable Distribution provision allows individuals who have reached age 70-1/2 to donate up to \$100,000 per year directly from their Individual Retirement Account (IRA) to an eligible charitable organization without incurring any adverse federal income tax consequences.

- **Who qualifies?** Individuals who are age 70½ or older at the time of the distribution (you have to wait until your actual 70½th birthday to make the transfer).
- **How much can I transfer?** \$100,000 per year.
- **From what accounts can I make transfers?** Transfers must come from your IRAs directly to PetConnect Rescue. If you have retirement assets in a 401(k), 403(b) etc., you must first roll those funds into an IRA, and then, you can direct the IRA provider to transfer the funds from the IRA directly to PetConnect Rescue.
- **To what organizations can I make gifts?** Tax-exempt organizations that are classified as 501(c)(3) organizations, including PetConnect Rescue, to which deductible contributions can be made.
- **Can I use the rollover to support a particular purpose of PetConnect Rescue?** As with all other gifts, you can direct your IRA Charitable Rollover gift as you see fit. However, you cannot direct your gift for a purpose from which you receive a personal benefit, goods, or services in return, such as a gala ticket, to purchase items at a silent auction, etc.
- **What are the tax implications to me?**
 - ⇒ Federal — You do not recognize the distribution to PetConnect Rescue as income, provided it goes directly from the IRA provider to us. However, you are not entitled to an income tax charitable deduction for your gift.
 - ⇒ State — Each state has different laws so you will need to consult with your own advisors. Some states have a state income tax and will include this transfer as income. Within those states, some will allow for a state income tax charitable deduction and others will not. Other states base their state income tax on the federal income or federal tax paid. Still other states have no income tax at all.

www.PetConnectRescue.org

P.O. Box 60714 · Potomac, MD 20859 · Phone: 877-838-9171 · Fax: 703-935-1430



Gifts Through Your IRA (continued)

- **Does this transfer qualify as my minimum required distribution?** Once you reach age 70½, you are required to take minimum distributions from your retirement plans each year according to a federal formula. IRA charitable distributions count towards your minimum required distributions for the year.
- **What is the procedure to execute an IRA charitable rollover?** To complete an IRA charitable distribution, the first step is to contact your IRA provider to learn their procedures. Make sure to contact us when you direct the distribution so that we can look for the check from your IRA provider.

Please contact Robyn Buchsbaum, Development Coordinator, at 717-557-4585, to find out more information about making a gift through your IRA.