

A Tax-Saving Way to Help Moreau Catholic High School

Frequently Asked Questions

Q. I've already named Moreau Catholic High School 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 made by transferring that amount from your IRA if it is \$100,000 or less for the year.

Q. I'm turning age 72 in a few months. Can I make this gift now?

A. No. The legislation requires you to reach age 72 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 be made only 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 Moreau Catholic High School. 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 required minimum distribution under the law?

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

Q. When do I need to make my gift?

A. We must receive your gift by Dec. 31 for your donation to qualify this year. If you have check-writing privileges on your IRA account, please mail your check by Dec. 20 in order to give us time to process your gift before the end of the year.

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 72 or older and has an IRA, he or she can also give up to \$100,000 from his or her IRA.

It is wise to consult with your tax professionals if you are contemplating a charitable gift under the extended law. Please feel free to contact Colleen Kelly, Stewardship Coordinator at ckelly@moreaucatholic.org with any questions you may have.