

Detailed instructions regarding RMD donations:

To donate directly to a church from your Required Minimum Distribution (RMD) and potentially save on taxes, follow these steps:

1. Check Eligibility for RMDs

- Ensure you are over the age at which you are required to take RMDs from your Traditional IRA, 401(k), or other eligible retirement accounts.

Birth Date	Applicable RMD Age
Before July 1, 1949	70 1/2
July 1, 1949-1950	72
1951-1959	73
1960 or later	75

- Confirm that you have a qualifying retirement account from which you must take RMDs.

2. Understand Qualified Charitable Distributions (QCDs)

- The IRS allows individuals 70½ or older to donate up to \$105,000 per year from their IRA directly to a qualified charity (including a church) as a Qualified Charitable Distribution (QCD).
- A QCD can satisfy your RMD requirement without counting as taxable income.

3. Contact Your IRA Custodian

- Reach out to the financial institution holding your IRA or 401(k) account and ask if they facilitate QCDs to charities, including churches.
- Most custodians offer a form to initiate the QCD, which will include details about the charity and the amount you wish to donate.

4. Verify the Church as a Qualified Charity

- Ensure your church is registered as a 501(c)(3) nonprofit organization with the IRS to qualify as a recipient of QCDs.
- Check the IRS's online search tool, "Exempt Organizations Select Check," to confirm the church's eligibility, if needed.

5. Initiate the QCD

- Complete the necessary paperwork with your IRA custodian to initiate the donation. You will need to provide:
 - The name and address of the church.
 - The donation amount (up to the RMD or \$105,000).
 - Your instructions to transfer the funds directly from your IRA to the church.

6. Ensure the RMD is Met

- Your RMD will be reduced by the amount of the QCD, so be sure to calculate how much of your RMD you want to donate.
- If you donate more than your RMD, the excess is still considered a QCD and counts toward the \$105,000 annual limit.

7. Avoid Taxable Income

- By donating the RMD directly to the church via a QCD, the distribution is excluded from your taxable income, meaning you won't pay income tax on the donated amount.
- The QCD doesn't count as a taxable distribution on your tax return, helping you lower your taxable income and potentially reduce your tax burden.

8. Obtain Documentation

- Keep documentation of the donation from both the IRA custodian (confirming the distribution to the church) and the church (confirming receipt of the donation).
- You'll need these records for your tax filing and to ensure everything is properly documented.

9. Report the Donation on Your Tax Return

- When filing your taxes, ensure the QCD is properly reflected. You don't need to include the QCD amount as income on your tax return, but you should keep a record of the distribution.
- Your IRA custodian will typically report the distribution on IRS Form 1099-R, but you will not report the donated amount as income.

Key Benefits:

- **Tax Savings:** The QCD reduces your taxable income, which could help lower your overall tax liability.
- **Satisfy RMD:** The QCD counts toward your RMD requirement, helping you meet the IRS mandate.
- **Avoid Impacting Itemized Deductions:** Since the QCD is not included in taxable income, you don't need to itemize deductions to benefit from it.

Make sure to work with a tax advisor to ensure the donation is properly handled and that it complies with IRS rules.