

ANNOUNCEMENT: IRA CHARITABLE ROLLOVER AT AGE 70 1/2 + HAS BEEN MADE PERMANENT!

Signing of PATH (Protecting Americans from Tax Hikes Act) makes the IRA Charitable Rollover permanent law.

President Obama has signed into law the PATH Act. The new law is retroactive to

Jan. 1, 2015, and will be in effect for the remainder of 2015 and beyond.

Donors aged 70½ or older who move up to \$100,000 from their IRAs directly to qualified charities will not have to pay income tax on the money.

Here is a recap of the IRA charitable rollover rules. Your donor can make a direct transfer if:

1. The donor is age 70½ or older on the day of the gift.
2. The donor transfers up to \$100,000 directly from the donor's IRA to one or more qualified charities. This opportunity applies only to IRAs and not to other types of retirement plans.
3. The donor pays no income tax on the gift. The transfer generates neither taxable income nor a tax deduction, so your donors benefit even if they do not itemize their tax deductions.
4. The gift can satisfy all or part of the required minimum distribution for the year.
5. The gift may not be used to fund a gift annuity, charitable remainder trust, donor advised fund or private foundation.
6. The donor does not receive any goods or services in return for the rollover gift in order to qualify for tax-free treatment.
7. If your donor made a gift of up to \$100,000 directly from an IRA in 2015, the gift will qualify under the new law.
8. The new legislation does not have an expiration date. Your donors can make gifts in 2015 and beyond.

If you have any questions regarding the IRA Charitable Rollover and how it could benefit you or your clients, don't hesitate to contact us. We'll do everything we can to help, and look forward to the additional flexibility this permanent extension will afford our donors.