

Intro

Did you know that you can reduce your taxable income, while benefitting your favorite charities?

Consider a Qualified Charitable Distribution (QCD).

A QCD is a gift to a charity from an IRA (for donors 70 ½ years and up) which can assist the donor in avoiding tax penalties.

Learn More



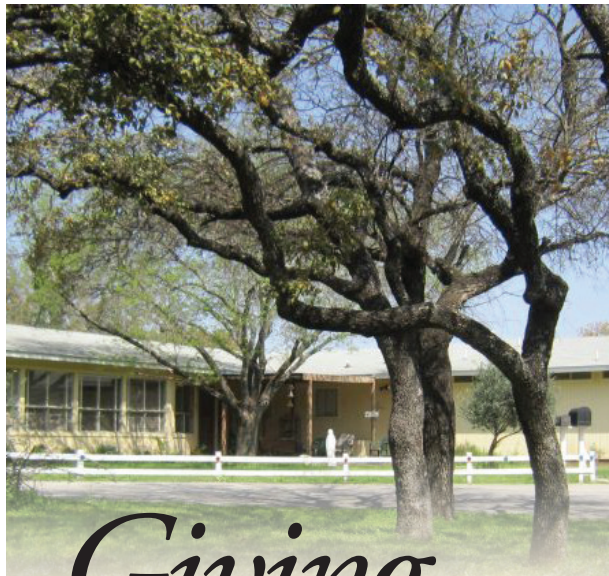
Scan this with your phone's camera & tap the link.

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Development@PilgrimCenterOfHope.org

PilgrimCenterOfHope.org/Donate

7680 Joe Newton, San Antonio, TX 78251



Giving

Pilgrim Center of Hope is a 501(c)(3) nonprofit organization. We are registered with GuideStar, a nonprofit registry.

For Pilgrim Center of Hope's Tax ID number and banking information, please call us: **210-521-3377**.

Tip: Some brokerages give donors the option to sign and submit a transfer request electronically, while others require donors to mail in their transfer requests.

Thank you

for your consideration of this option!
Your contribution helps this vital ministry of evangelization bring hope to others.

HOPE

Give & Receive

QUALIFIED CHARITABLE DISTRIBUTION

Put your IRA to work,
while benefitting your favorite charities.



PILGRIM
Center of Hope

Guiding people to Christ

The Basics



Whether you are fully or partly retired, you may find that you don't need additional money from your Individual Retirement Account (IRA).



If you don't need the extra funds; at age 72, the IRS **requires you** to take IRA withdrawals in annual amounts, known as Required Minimum Distributions (RMDs).

RMD IMPACTS

RMDs are subject to ordinary income taxes; and **more taxable income** may push you into a higher tax bracket.

This can lead to **adverse impacts**, including effects on your Social Security income and Medicare benefits.

What's more, if you don't take your RMDs, you could be subject to a **50% penalty** on the amount that wasn't withdrawn.

Tip: If you process a distribution prior to reaching age 70½, the distribution will be treated as taxable income.

For charitably-minded retirees with traditional IRAs, there is tax relief available: the **Qualified Charitable Distribution (QCD)**.

Here's How

The QCD gift option allows you, starting at age 70½, to instruct your IRA administrator to direct distributions to a qualified 501(c)(3) charity.

Because the IRA income goes directly to charity, you do not report the QCD as taxable income and do not owe any taxes on the QCD.

The IRA distribution can be put to good use by your favorite qualified charity.

It's a win-win!

Why It Works

By making a QCD, you reduce your Adjusted Gross Income (AGI). This generally provides a greater tax benefit than claiming a tax deduction; because AGI is used in several calculations, such as determining the taxable portion of your Social Security benefits, if you qualify for a Medicare surtax or what deductions and credits you qualify for receiving.

A QCD allows you to receive a tax benefit from your charitable contribution even if you do not itemize your deductions, because the QCD is excluded from your taxable income.

Checklist



For a QCD to count toward your current year's RMD, the funds must come out of your IRA **by your RMD deadline**, which is generally December 31 each year.



Funds must be transferred **directly from your IRA custodian** to the qualified charity.

Request that your IRA custodian issue a check from your IRA payable to the charity. You can then request that it be mailed, or forward the check to the charity yourself.



The maximum annual distribution amount that can qualify for a QCD is \$100,000. This limit would apply to the **sum** of QCDs made to one or more charities in a **calendar year**.

If you're a joint tax filer, both you & your spouse can make a \$100,000 QCD from your own IRAs.



Account types eligible for QCDs include: Traditional IRAs and Inherited IRAs.

Under certain circumstances, QCDs may be made from a Roth IRA. Roth IRAs are not subject to RMDs during your lifetime, and distributions are generally tax-free.

If you are 72, own an IRA, and donate to charity, QCDs may make sense for you. Consult a tax advisor regarding your specific situation.