



# Qualified Charitable Distribution from an IRA

Nonprofits in New Hampshire improve the quality of life for every person in the state. Many nonprofits are on the front lines of the current public-health emergency, adapting to meet increased needs among our most vulnerable neighbors.

Among the many ways that generous people can help support the critical work of nonprofits is by giving through a **Qualified Charitable Distribution** (QCD) from an IRA.

## How it works:

- QCDs allow IRA owners age 70-½ or older to directly transfer up to \$108,000 annually from an IRA to a nonprofit, tax-free. If you are married, you and your spouse may each transfer \$108,000 for a total of \$216,000.
- Maximize your QCD by making the gift from your pre-tax IRA. QCDs are not available from company plans or active SEP or SIMPLE IRAs.
- The funds must be paid directly from the IRA to the nonprofit. You may not receive anything of value from the nonprofit in exchange for making the QCD.
- The amount transferred from the IRA to the charity is excluded from your adjusted gross income (AGI) for the year.
- Contributing to an IRA may result in a reduction of the QCD amount you can deduct. If you are older than 70-½ and contributing to your IRA, please consult your tax advisor.

## Ways to partner with the New Hampshire Charitable Foundation using a QCD:

Although donor-advised funds are not eligible to receive QCDs per the IRS, the Foundation has several alternatives that you can consider. A QCD may be used to make a gift to or establish the following types of charitable funds:

- **Scholarship funds** can support students from specific communities or regions or who are entering certain fields, or be open to any qualified applicant.
- **Field-of-interest funds** support nonprofit organizations doing specific types of work (environmental protection, for instance) or that work in a certain geographic region.
- **Flexible funds for New Hampshire** give the Foundation maximum flexibility to support organizations working on the most pressing needs in the state.
- **Designated funds** provide guaranteed annual support to nonprofits you choose.

## Ready to do more with your giving? Let's get started.

Please be in touch to discuss how we can help turn your charitable passion into action — and make your giving easy, rewarding and fun.

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