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Make the gift of a lifetime: turn retirement accounts into charitable good with new federal PATH Act

There is good news for community foundation donors in their 70s—and for the communities and causes they care about. A recently made permanent law makes it possible to give individual retirement account (IRA) assets to charity, free from federal tax, and annually. Prior to 2006, all lifetime distributions from IRAs were taxed—even those given to charity.

As such, our donors can give far more with less! This may be an attractive giving option for you if you are: over 70 1/2 and now receiving minimum IRA distributions—but do not need the extra income; interested in making a significant lifetime gift to impact your community.

The Pension Protection Act of 2006 permitted individuals to roll over up to \$100,000 from an IRA directly to a qualifying charity without being taxed. On Dec 18, 2015 Congress passed the PATH Act, making permanent this unique charitable giving opportunity. Single and married individuals 70 1/2 and older are eligible to give in this way from their individual retirement accounts.

Using IRA assets to make a gift during your lifetime, as opposed to giving via bequest in your will, enables you to experience the joy of making a major gift.

“This legislation reinforces the importance of charitable giving as an essential element of a robust community. Our personalized service and local expertise helps donors address the issues and causes most important to them,” said Dan Pingaro, Laguna Beach Community Foundation Executive Director.

For more information on the charitable giving legislation and the Charitable IRA opportunity, please contact Executive Director Dan Pingaro at 949-715-8223 or visit our website at http://www.lagunabeachcf.org/ira_faq.html