



THE IRA QUALIFIED CHARITABLE DISTRIBUTION (QCD) Also known as IRA Charitable Rollover

What is a QCD?

The qualified charitable distribution (QCD), or charitable IRA rollover, is a special provision allowing certain donors to exclude from taxable income—and count toward their required minimum distribution—certain transfers of Individual Retirement Account (IRA) assets that are made directly to public charities, such as the University of Portland. Since it was first made available in 2006, many UP donors age 70-1/2 or older have used this popular option to support the University.

Is there a limit on the amount that can be given?

Yes, there is a limit. An individual taxpayer's total QCD gifts cannot exceed \$100,000 per tax year. Married couples can donate up to \$200,000 per year if both spouses have individual IRAs.

What about the required minimum distribution?

If you have not already taken your required minimum distribution in a given year, a qualifying QCD can count toward satisfying this requirement. The amount transferred will be excluded from income of the taxpayer for federal income tax purposes. The amount transferred *does not* generate a charitable income tax deduction, but it *does* count toward the taxpayer's minimum required distribution.

The following rules apply:

- You must be age 70-1/2 or older at the time of the gift
- You can give a cumulative total of up to \$100,000 per person
- You can give a total of up to \$200,000 per couple (ONLY if both husband and wife both have individual IRA's)
- Counts toward mandatory withdrawal amount, if you have not already taken your mandatory withdrawal
- Distribution is not included in taxable income
- You can transfer funds *directly* from your IRA to the University of Portland
- You can transfer the gifts outright to one or more qualified charities, such as UP, but not to supporting organizations, or for gift annuities, charitable trusts or donor advised funds
- Applies only to IRAs, not other types of retirement accounts
- Charity must cash QCD check by midnight, December 31
- Any rules established by your IRA custodian, such as forms, etc.

To make an IRA QCD to University of Portland, contact your IRA custodian directly. You may also contact The Office of Development at 503-943-7395 or giving@up.edu for assistance.

SAMPLE LETTER TO IRA CUSTODIAN

(Many large IRA custodians such as Fidelity have online forms you can use rather than this letter)

Date

Name of IRA Custodian

Address

City, State Zip

RE: Request for Qualified Charitable Distribution (QCD from Individual Retirement Account

Dear IRA Custodian:

Please accept this letter as my request to make a qualified charitable distribution (QCD) from my individual retirement account number (*insert account number here*) as provided by the Protecting Americans from Tax Hikes Act (PATH Act) of 2015. Please issue a direct transfer of funds in the amount of \$_____ payable to the University of Portland (which is a 501(c)(3) public charity and is not a donor advised fund or a supporting organization) at the following address. The University of Portland's employer identification number/tax ID is 93-0401259.

University of Portland
5000 N Willamette Blvd
Portland OR 97203-5798
Attn: Office of Development

In your transmittal to UP, please indicate my name and address as the donor of record in connection with this transfer, and copy me on your transmittal. It is my intention that this gift complies with IRC 408(d)(8).

If you have any questions or concerns regarding this request, I can be reached at (*your telephone and/or email address*). Thank you for your prompt attention to and assistance with this matter.

Sincerely yours,

Name of Plan Owner/donor

Address

City, State Zip

Phone number