

# **Individual Retirement Account (IRA) Gift To the Blue White Scholarship Foundation**

If you are 70½ years old or older, you can take advantage of a simple way to benefit the Blue White Scholarship Foundation - you can give up to \$100,000 from your IRA directly to a qualified charity like BWSF without having to pay income taxes on the money, and you are free to make annual gifts to BWSF well into the future.

- Key elements of this method of giving:
  - You pay no income taxes on the gift. The transfer generates neither taxable income nor a tax deduction, so you benefit even if you do not itemize your deductions.
  - If you have not yet taken your required minimum distribution for the year, your IRA charitable rollover gift can satisfy all or part of that requirement.
  - Direct rollovers to a qualified charity can be made only from an IRA. Under certain circumstances, however, you may be able to roll assets from a pension, profit sharing, 401(k) or 403(b) plan into an IRA and then make the transfer from the IRA directly to a charity. To determine if a rollover to an IRA is available for your plan, speak with your plan administrator.
  - If you have not yet taken your required minimum distribution, the IRA charitable rollover gift can satisfy all or part of that requirement. Contact your IRA custodian to complete the gift.
  - You can give any amount under this provision, as long as it is \$100,000 or less this year. If your IRA is valued at more than \$100,000, you can transfer a portion of it to fund a charitable gift.
  - You can give a maximum of \$100,000 each year. Any amount of more than \$100,000 in one year must be reported as taxable income.
  - Both you and your spouse (as defined by the IRS) who is 70½ or older and has an IRA, can give up to \$100,000 from his or her IRA.

Since this can be a complex area of tax law, it is recommended that you consult your attorney or tax advisor before making your gift, including consideration of how State income/estate taxes or state law may impact your gift.