



# University of Idaho

Estate, Trust and Gift Planning

## A Tax-Saving Way to Help the University of Idaho

### See Your Generosity in Action with a Gift from Your IRA

If you are 70½ years old or older, you can take advantage of a simple way to benefit University of Idaho and receive tax benefits in return. You can give up to \$100,000 from your IRA directly to a qualified charity such as ours without having to pay income taxes on the money.

### Why Consider This Gift?

- Your gift will be put to use today, allowing you to see the difference your donation is making at the University of Idaho.
- 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 already must take required minimum distributions (RMDs), or will have to at age 72, your IRA charitable rollover gift can satisfy all or part of your annual RMD.

### Frequently Asked Questions

**Q. Can my gift be used as my required minimum distribution under the law?**

**A.** Yes, absolutely. 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.

**Q. Do I need to give my entire IRA to be eligible for the tax benefits?**

**A.** No. You can give any amount up to \$100,000 per year.

**Q. My spouse and I would like to give more than \$100,000. How can we do that?**

**A.** If you have a spouse (as defined by the IRS) who is 70½ or older and has an IRA, he or she can also give up to \$100,000 from his or her IRA.

**Q. I'm turning age 70½ in a few months. Can I make this gift now?**

**A.** No. The law requires you to reach age 70½ by the date you make the gift.

**Q. I have several retirement accounts—some are pensions and some are IRAs. Does it matter which retirement account I use?**

**A.** Yes. 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 University of Idaho. To determine if a rollover to an IRA is available for your plan, speak with your plan administrator.

**Q. I've already named the University of Idaho as the beneficiary of my IRA. What are the benefits if I make a gift now instead of after my lifetime?**

**A.** By making a gift this year of up to \$100,000 from your IRA, you can see your philanthropic dollars at work. You are jump-starting the legacy you would like to leave and giving yourself the joy of watching your philanthropy take shape. Moreover, you can fulfill any outstanding pledge you may have made by transferring that amount from your IRA as long as it is \$100,000 or less for the year.

**Q. Why might it be a good idea to leave my IRA to charity instead of to my family?**

**A.** The SECURE Act eliminates the “Stretch” IRA, which had allowed your heirs to take distributions from the IRA you leave them over the course of their projected life expectancy. Now, IRA heirs (except your spouse) are required to take out all of the money within 10 years, which could expose them to a much higher income tax bill. You may wish to pass on different assets (e.g., stock, real estate, life insurance) to your loved ones, while designating your favorite charities as beneficiaries for your IRA.

You may also wish to consider establishing a Charitable Remainder Trust (CRT) in your will or living trust and naming it as the beneficiary of your IRA. A testamentary CRT is an irrevocable trust that reduces taxable income by paying income to the beneficiaries of the trust (often family members) for a set period of time before donating the remainder to a charity

**Q. Can I write a check from my IRA account to the charity, or does a check have to be sent from my IRA administrator?**

**A.** You may write a check on your IRA account, but please note that your check must clear with your IRA fund administrator before December 31 or your gift may not satisfy any of your required minimum distribution and you may be subject to a penalty. We recommend you mail such checks no later than November 30.

**Q. I have two charities I want to support. Can I give \$100,000 from my IRA to each?**

**A.** No. Under the law, you can give a maximum of \$100,000. For example, you can give each organization \$50,000 this year or any other combination that totals \$100,000 or less. Any amount of more than \$100,000 in one year must be reported as taxable income.

It is wise to consult with your tax professionals if you are contemplating a charitable gift under the extended law. Please feel free to contact Sharon Morgan at (866) 671-7041 or [giftplanning@uidaho.edu](mailto:giftplanning@uidaho.edu) with any questions you may have about making an IRA charitable rollover gift to the University of Idaho.

**Related Forms**

[www.myuidaholegacy.org](http://www.myuidaholegacy.org). Select Make an Impact, then Other Ways to Give, then Charitable IRA Rollover to access instructions.

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