

MAKING GIFTS TO THE OHIO HISTORY CONNECTION FOUNDATION Through Your IRA

IRA CHARITABLE ROLLOVER GIFT

Many older individuals make annual charitable contributions with assets in their individual retirement accounts (IRAs). If you are 70 ½ or older, charitable contributions from your IRA may count toward your annual required minimum distribution without having to record it as taxable income. You may be able to transfer up to \$100,000 per year from your Traditional or Roth IRA to the Ohio History Connection Foundation, a qualified charity, without paying income taxes on the funds transferred. And your gift may be tax-free to the Ohio History Connection Foundation.

An additional benefit to liquidating some of your IRA assets during your lifetime is that your beneficiaries (dependents or family members) may be able to avoid income tax when the funds are transferred. (Spouses do not have to pay income tax.)

IRA CHARITABLE ROLLOVER GIFT REGULATIONS

- The donor must be 70 ½ or older.
- The gift must be made to a qualified public charity. The Ohio History Connection Foundation is a qualified charity, exempt under Section 501(c) of the Internal Revenue Code.
- The gift must be made directly to the charitable organization (see below for transfer instructions).
- The cap on annual IRA rollovers is \$100,000. However, the gifts do not all have to be made at the same time or to the same charity.

HOW TO MAKE AN IRA CHARITABLE ROLLOVER GIFT

- 1 Contact your IRA custodian to request the necessary forms to make the gift.** If your custodian does not have a specific form, please contact the Ohio History Connection Development Office for a sample letter.
- 2 Most IRA custodians will issue the gift by check or electronic fund transfer directly to the Ohio History Connection Foundation.** Occasionally, custodians will send a check to you, made payable to the Ohio History Connection Foundation. This transaction will still qualify as long as the check is made payable to the Ohio History Connection Foundation and NOT to you, the donor.
- 3 Notify the Ohio History Connection Development Office at 800.647.6921 that an IRA gift is on its way.** Sometimes we receive IRA gifts that do not reference the donor, making it harder for us to acknowledge the gift. The Development Office will send you a special receipt which complies with the requirements of the gift. Your IRA custodian will provide you with a Form 1099 to report the full qualified distribution amount on your tax return. Consult your tax preparer if you have questions about your specific tax situation.

IRA BENEFICIARY DESIGNATION

For donors of all ages, beneficiary designation of IRA assets is a cost effective charitable gift. Individual beneficiaries (family members—except spouses—or others) must pay income tax on IRA distributions. Qualified public charities owe no income tax, thus getting the full benefit of your gift. Simply contact your IRA custodian to make the Ohio History Connection Foundation the beneficiary of all or a portion of your IRA.

Please consult with your financial representative for advice regarding your specific situation. This information is not meant as tax or legal advice, but rather for educational purposes only.

For more information, please contact the Ohio History Connection Development Office at 800.647.6921.

