

CHARITABLE CONTRIBUTIONS FROM IRAS OR STOCKS

A charitable donation from an IRA is made through a qualified charitable distribution (QCD). This allows IRA owners who are at least 70.5 years old to donate up to a certain amount to charity tax-free. [\[1\]](#)

How it works [\[1\]](#)

- The IRA trustee transfers the funds directly to the charity. [\[1\]](#)
- The donation is not considered a taxable withdrawal from the IRA. [\[2\]](#)
- The donor does not need to itemize deductions to receive the tax benefit. [\[3\]](#)
- For those who are at least 73 years old, the QCD counts toward their required minimum distribution (RMD). [\[1, 4\]](#)

What to consider [\[1, 2, 5, 6\]](#)

- The QCD limit is adjusted annually for inflation.
- Married couples with separate IRAs can combine their QCDs.
- The donation must be made directly to the charity, not to the owner or beneficiary.
- The donation check must be made payable to the charity.
- The donor should request an acknowledgment of the donation for tax purposes.
- State tax laws vary.

How to make a QCD [\[1, 6\]](#)

- Contact the IRA trustee to discuss making a QCD.
- Ensure the transaction is completed by the end of the year.

To find out how to transfer stock, please contact Cape May MAC's Chief Financial Officer:

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