

Encore!: Charitable IRA Legislation Passed

The charitable IRA legislation is back for a repeat performance—don't miss this second-chance opportunity to make tax-free gifts from your IRA!

There's good news for individuals aged 70½ or older with individual retirement accounts. Thanks to the extended charitable IRA legislation, you can once again make outright gifts using IRA funds without tax complications.

If you are required to take Required Minimum Distributions from your IRA and you don't want to take the money for personal use, consider using those funds as a charitable gift. While you cannot claim a charitable deduction for the IRA gifts, you will not have to pay income tax on the amount.

You may contribute funds this way if:

- You are 70½ or older
- Your IRA gifts total \$100,000 or less each year in 2008 and 2009
- You transfer funds directly from an IRA
- You transfer the gifts outright to one or more public charities (This excludes gifts made to charitable trusts, donor advised funds and supporting organizations.)

The Benefits—Music to Your Ears

- In most cases, the transfer counts toward your Required Minimum Distribution.
- Even those people who do not file an itemized tax return can receive a benefit as the gift neither generates taxable income nor a charitable gift deduction
- You may transfer up to \$100,000 directly from your IRA in both 2008 and 2009.
- The distributions may be in addition to or fulfill any charitable giving you have already planned.

The Next Step

Be sure to contact tax professionals and your IRA administrator if you are considering a gift under this law. Feel free to call **Lee A. Williamson at 973-624-3713 ext. 270** or lwilliamson@njsymphony.org with any questions.