Qualified Charitable Distributions (QCD)

A Simple, Smart Way to Give Using Your IRA

If you are aged 70½ or older, you can make a tax-free Qualified Charitable Distribution (QCD) – often called an IRA Rollover gift – directly from your IRA to a personalized fund at the Community Foundation of Southern Indiana, supporting the causes you care about most.

If you are at least 73 years old, you may direct up to $111,000 per year from your IRA to CFSI, and the amount transferred is excluded from your federal taxable income. Your gift also counts toward your required minimum distribution (RMD) for the year.

Making a QCD is simple: work with your retirement plan administrator to transfer funds directly from your IRA to the Community Foundation. While you can always give directly to a single nonprofit, establishing or contributing to a fund at CFSI offers added flexibility, long-term impact, and the option for anonymity – allowing you to support multiple organizations or causes with one strategic gift.

Questions? Let's Talk!

For more information about these, or any other charitable contributions offered by the Foundation, please contact **Linda Speed**, President and CEO:

LSpeed@CFSouthernIndiana.com

Learning More About:

Qualified Charitable Distributions

What is a QCD?

A **Qualified Charitable Distribution** is a direct transfer of funds from your IRA account to a qualified charity. You must be 70 1/2 or older to be eligible. As a reminder, QCDs are not taxable to you.

What If I Don't Itemize?

Don't worry - QCDs don't require itemization. Due to recent tax law changes, could choose to take advantage of the higher standard deduction, yet still use a QCD for your charitable giving and **not** increase your Annual Gross Income (AGI).

Are There Special Requirements?

You can only do a QCD from your IRA, not from a 401(k), 403(b), or other workplace retirement plans.

Who Can I Give To?

QCDs must be directed to a public charity - but not to a private foundation, supporting organization, or donor advised fund. CFSI is a qualified public charity eligible to accept QCD gifts. In turn, we will distribute your donation to nonprofits in accordance with your unique charitable wishes.

What If I'm Still Making IRA Contributions?

There is a complex rule for people who make deductible IRA contributions after age 70 1/2. Basically, these IRA distributions reduce your allowable tax-free QCD amount until they are used up.

Is There a Gift Maximum?

Currently, the maximum QCD gift is $111,000 per individual.

Community Foundation of Southern Indiana

4108 Charlestown Rd., New Albany, IN 47150
www.CFSouthernIndiana.com | (812) 948-4662

LEADING BY EXAMPLE: Judge J. Terrence Cody

Retired Circuit Court Judge J. Terrence Cody has always been committed to giving back to his community. Because of his career, he is familiar with the community's challenges and needs.

After careful consideration, he decided to make a QCD gift to support CFSI's unrestricted Community Impact Fund. The fund is designed to address our region's most pressing needs and highest priorities.

By contributing to this fund, Judge Cody knows his donation will be used strategically to create the greatest positive change across a variety of areas, such as education, health, economic development, and social services.

Cody's gift reinforces his commitment to enhancing the quality of life in Southern Indiana. His thoughtful and strategic charitable giving sets an example for others, showcasing how retirement assets can be used to support and strengthen the community for generations.

What My QCD Can Do...

Pre-designate your giving with a fund to do all of your annual giving from one place with one gift.

Establish a scholarship fund to perpetually support a specific school or students who meet criteria you set.

Set up a fund to support your church, alma mater, or other causes with an annual gift in your name, forever.

Leave a legacy for causes you care about so your generosity continues after your lifetime.

Ask the Experts:

How (and When) Should I Initiate a QCD?

In most cases, you just need to contact your IRA custodian. You should identify if you want to take advantage of the QCD option *before* you request the RMD, because you must instruct your plan administrator regarding the QCD. If you do not indicate the request for a QCD, once you have taken the distribution you cannot unwind it.

If you automatically receive your RMD each year you may need to turn off automatic payments and instead manually request the QCD. If you manually request your RMD for the year, be sure to identify that you want it to be for a QCD.

You may request a QCD at any time during the year, but if you intend that your distribution count toward your RMD, please begin your transfer by early December to allow ample time for your transfer to be completed. If you have an IRA with check-writing features, please be aware that your check must be made out to "Community Foundation of Southern Indiana" and must clear your account by December 31 to count toward your RMD for the current year.