



# IRA Qualified Charitable Distributions

If you are 70½ years of age or older, you are eligible to make a qualified charitable distribution (QCD) from your IRA to support the MCV Foundation\* for the area or program of your choice. You do not need to wait until you attain the age at which you must make a required minimum distribution (RMD) to take advantage of this giving opportunity.

## HOW IT WORKS

**Donors 70½ or older are eligible to make tax-free transfers from their IRA to the MCV Foundation.** As the IRA owner, you can request the plan administrator make a direct distribution to the MCV Foundation.

**Transfers must be made directly from an IRA to the MCV Foundation.** Funds that are withdrawn by you and then contributed will not qualify.

**Guaranteed life-income opportunity.** IRA owners may now make a one-time distribution in a single tax year to fund a charitable gift annuity or charitable trust (subject to some limitations).

**Gifts must be outright.** Gifts can be used to satisfy a personal pledge, but distributions cannot be used to obtain other benefits such as tickets to events or the right to purchase athletics tickets.

## HOW YOU BENEFIT

**You avoid taxes** on transfers from your IRA to the MCV Foundation (subject to annual limitations).

**You may satisfy your required minimum distribution.** Required minimum distributions are determined by your date of birth. They currently begin at age 73 and will increase to age 75 by 2033.

**You make an immediate impact.** Your gift is put to use right away to support the area you choose, or to increase your income.

## NEXT STEPS

**Contact your IRA account administrator** to request that a qualified charitable distribution (QCD) be made from your IRA to the MCV Foundation.

**Provide your IRA account administrator** with the MCV Foundation's name, tax ID and address:

**Legal Name:** Medical College of Virginia Foundation

**Tax ID Number:** 54-6053660

**Address:** 1021 E. Cary St., Suite 1100,  
Richmond, VA 23219

**Contact the MCV Foundation** to let us know to expect your check and what you would like your gift to support. This is an important step because some account administrators do not include identifying information on checks.

## USEFUL TIPS

- Proactively reduce the balance of your IRA account and taxes related to future required minimum distributions by making qualified charitable distributions when you are 70½ instead of waiting until your required minimum distributions begin.
- If you have a 401(k) or 403(b) retirement account, consider rolling those assets into an IRA to take advantage of tax-friendly giving options.

# IRA Qualified Charitable Distribution (QCD): Frequently Asked Questions

## IS THERE AN ANNUAL GIFT MAXIMUM ON IRA QCDs?

Yes. The maximum annual QCD per taxpayer is \$100,000, adjusted annually for inflation starting in 2024. The maximum QCD that may be used to fund a charitable gift annuity is \$50,000, adjusted annually for inflation. Consult with your advisor or a planned giving professional for the current gift maximums and other limitations.

## WHAT TIMING CONSIDERATIONS ARE IMPORTANT WHEN MAKING AN IRA QCD?

Make your QCD before you take your RMD. In order for a QCD to offset your RMD in a given tax year, the QCD must be completed before you withdraw your RMD.

If you write your own IRA QCD checks using a checkbook provided by your account custodian, make sure they arrive by mid-December so they can be cashed before the end of the year. The "postmark rule" does not apply to these types of checks; they must be cashed by year-end to count toward your RMD for that tax year.

## MAY I MAKE A QCD FROM MY IRA IF I HAVE ALREADY TAKEN MY REQUIRED MINIMUM DISTRIBUTION (RMD)?

Yes. However, if you take your RMD before you make a QCD, the QCD cannot be used to offset your RMD.

## MAY I CONTRIBUTE MORE THAN THE ANNUAL GIFT MAXIMUM TO A QUALIFIED CHARITY FROM AN IRA?

Yes, but only the annual gift maximum may be treated as a QCD. Contributions above that amount will follow general rules for charitable contributions and itemized deductions.

## IS MY IRA QCD GIFT ELIGIBLE FOR AN INCOME TAX CHARITABLE DEDUCTION?

No. QCD gifts do not receive a federal income tax charitable deduction for the gift since you do not pay income tax on the withdrawal.

## ARE GIFTS FROM RETIREMENT PLANS OTHER THAN AN IRA ELIGIBLE?

No. However, donors may be able to make qualified transfers from their pension or retirement plan to their IRA, and then make a charitable gift from their IRA account.

## IF I AM NOT YET 70½ AND CANNOT TAKE A QCD ARE THERE OTHER WAYS I CAN GIVE FROM MY RETIREMENT ACCOUNT?

If you are 59½ you can take a penalty-free taxable distribution from your retirement account and receive a charitable income tax deduction for your gift to the MCV Foundation.

*MCV Foundation employees and representatives do not offer legal, tax, or financial advice. Donors are encouraged to consult with an attorney, financial advisor, estate planner or accountant before finalizing arrangements.*

### \*MCV FOUNDATION: OUR TRUSTED PARTNER

Since 1949, the Medical College of Virginia Foundation has been inspiring, seeking, and stewarding philanthropic resources for VCU Health and VCU's health sciences schools. Gifts to the MCV Foundation help raise the standard of care for us all, today and in the future, through support of research, teaching and patient care.

The MCV Foundation's campus partners include VCU College of Health Professions, VCU School of Dentistry, VCU School of Medicine, VCU School of Nursing, VCU School of Pharmacy, VCU School of Public Health, VCU Massey Comprehensive Cancer Center, VCU Health and VCU Pauley Heart Center.

**MORE INFORMATION** Contact Jason Chestnutt, CFP®, executive director of planned giving for the MCV Campus | 804-828-1671 | chestnuttjr@vcu.edu

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 VCU Health™