

Charitable IRA Rollover

Make a gift to the Hartford Foundation for Public Giving with your IRA. The Charitable IRA Rollover allows individuals 70 ½ and older to transfer up to \$100,000 from an IRA to a public charity (including the Hartford Foundation for Public Giving) without triggering federal income taxes today or estate tax in the future. If married, each spouse is eligible for the tax-free IRA transfer.

The Pension Protection Act of 2006 (PPA) initially set forth this provision, and it was extended numerous times in the years that followed. In the final weeks of 2015, President Obama signed the Protecting Americans from Tax Hikes (PATH) Act of 2015 into law, which included a provision that made the IRA Charitable Rollover permanent, retroactive to January 1, 2015.

It may be especially advantageous for donors to take advantage of this opportunity if:

1. You wish to make a qualified charitable gift from your IRA to reduce the value of future distributions you will be required to take in successive years.
2. You do not itemize your deductions and would like to realize increased tax benefit for your giving.
3. You are interested in reducing the taxable portion of your estate (by reducing retirement accounts) and increasing the tax-free portion of your estate through cash, stocks that will get capital gains treatment, or other tax-favorable assets.
4. You want to support charitable projects and programs in your region.

Four ways to turn your IRA into charitable dollars for our community:

- A **Designated Fund** allows you to support the work of specific nonprofit organizations.
- A **Field of Interest Fund** allows you to target charitable causes and interest areas you care about most.
- A **Scholarship Fund** allows you to support a college education for deserving young people.
- An **Unrestricted Fund** helps address the region's most urgent needs as they change over time.

Please note that this legislation does *not* allow for funds to be transferred into a Donor-Advised Fund. We would welcome an opportunity to discuss the options listed above in more detail and how they might accomplish your charitable intentions for IRA Funds. For more information, please call Deborah Rothstein, J.D., Vice President for Development at 860-548-1888.

The tax and other discussion set forth above is included for general information only and is not tax or legal advice. The tax, securities, and other legal consequences of the transactions described above are complex. You should consult your own legal and tax advisor in connection with any income tax, gift and planning matters associated with a transfer of shares of stock or other property to a charity.

The Hartford Foundation for Public Giving does not provide legal or tax advice. Any statement contained in this communication (including attachments) is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing, or recommending to another party any transaction or other matter addressed herein.