



INDEPENDENT SECTOR
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IRA Charitable Rollover

The IRA Charitable Rollover tax incentive, which expires at the end of 2009, allows individuals aged 70½ and older to donate up to \$100,000 from their Individual Retirement Accounts (IRAs) and Roth IRAs to public charities without having to count the distributions as taxable income. It will take congressional action to extend the giving incentive into 2010 and beyond. The **Public Good IRA Rollover Act of 2009** (S.864/H.R.1250) would build on the success of the current IRA Rollover by making it permanent, removing the current dollar limit on donations per year, making all charities eligible to receive donations, and providing IRA owners with a planned giving option starting at age 59½.

Talking Points

- Since enactment in August 2006, the IRA charitable rollover has proven to be a simple, efficient and effective means for older Americans to give back to their fellow citizens, and to the causes and communities they believe in.
- By eliminating the barrier in the tax law that had discouraged transfers from individual retirement accounts, the IRA charitable rollover has generated a significant amount of new charitable giving to charities and enabled them to maintain or expand services and individuals throughout the country.
- The IRA charitable rollover enables Americans aged 70½ and older to make millions of dollars of new contributions to nonprofits without suffering adverse tax consequences.
- The IRA rollover is particularly helpful for older Americans who do not itemize their tax deductions and would not otherwise receive any tax benefit for their charitable contributions.
- The resulting gifts from IRA charitable rollovers -- ranging from as little as \$10 to the legal maximum of \$100,000 -- have helped organizations build cancer centers, develop programs for counseling at-risk youth, support housing for homeless families, conserve wilderness areas, and provide art therapy for people with developmental disabilities.
- *[Explain how your organization has used donations from IRA rollovers to have an impact in your community.]*
- Congress must act to extend the IRA charitable rollover before it expires on December 31, 2009.
- The **Public Good IRA Rollover Act of 2009** (S.864/H.R.1250) would build on the success of the current IRA Rollover by making it permanent, removing the current dollar limit on donations per year, making all charities eligible to receive donations, and providing IRA owners with a planned giving option starting at age 59½.
- *[Explain how your organization currently puts donations to work in the community from donor advised funds, supporting organizations, and/or planned giving programs -- none of which is permitted to receive IRA charitable rollovers without the donor experiencing adverse tax consequences.]*
- Ask Senators and Representatives to extend and expand this incentive by becoming a cosponsor and passing the Public Good IRA Rollover Act (S.864/H.R.1250).