IRA Charitable Distributions Frequently Asked Questions

Q. I've already named Hoover Presidential Foundation as the beneficiary of my IRA. What are the benefits if I make a gift now instead of after my lifetime?
A. By making a gift this year of up to $100,000 from your IRA, you can see your philanthropic dollars at work. You are jump-starting the legacy you would like to leave and giving yourself the joy of watching your philanthropy take shape. Moreover, you can fulfill any outstanding pledge you may have made by transferring that amount from your IRA as long as it is $100,000 or less for the year.

Q. I'm only age 70. Can I make this gift now?
A. No. New legislation requires you to reach age 72 in 2020 in order to make the gift. If you were 70 ½ in 2019 or before you can continue to make qualified charitable distributions from your IRA.

Q. I have several retirement accounts—some are pensions and some are IRAs. Does it matter which retirement account I use?
A. Yes. Distributions to a qualified charity can be made only from an IRA. Under certain circumstances, however, you may be able to roll assets from a pension, profit sharing, 401(k) or 403(b) plan into an IRA and then make the distribution from the IRA directly to Hoover Presidential Foundation. To determine if a rollover to an IRA is available for your plan, speak with your financial advisor or plan administrator.

Q. Can my gift be used as my required minimum distribution under the law?
A. Yes, absolutely. If you have not yet taken your required minimum distribution, the IRA charitable rollover gift can satisfy all or part of that requirement. You’ll need to contact your financial advisor and/or IRA custodian to complete the gift.

Q. Do I need to give my entire IRA to be eligible for the tax benefits?
A. No. You can give any amount under this provision, as long as it is $100,000 or less this year. If your IRA is valued at more than $100,000, you can distribute a portion of it to fund a charitable gift.

Q. I have two charities I want to support. Can I give $100,000 from my IRA to each?
A. No. Under the law, you can give a maximum of $100,000. For example, you can give each organization $50,000 this year or any other combination that totals $100,000 or less. Any amount of more than $100,000 in one year must be reported as taxable income.

Q. My spouse and I would like to give more than $100,000. How can we do that?
A. If you have a spouse (as defined by the IRS) who is 72 or older in 2020 and has an IRA, he or she can also give up to $100,000 from his or her IRA.

It is wise to consult with your tax professionals if you are contemplating a charitable gift. Please contact Mundi McCarty, Director of Development, Hoover Presidential Foundation, at MMccarty@HooverPF.org, or (319) 643-5327, with questions.

This information is not intended as legal or tax advice. For such advice, please consult an attorney or tax advisor. Figures cited in examples are for hypothetical purposes only and are subject to change. References to estate and income taxes include federal taxes only. State income/estate taxes or state law may impact your results.