

"Donating Your IRA Distributions to St. Peter's in 2011"

The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 extended qualified charitable distributions (QCDs) from Individual Retirement Accounts (IRAs) for distributions made through December 31, 2011. Individuals can donate up to \$100,000 per year directly from a traditional or Roth IRA to qualifying charities. This is attractive to some investors because QCDs can be used to satisfy required minimum distributions (RMDs) from an IRA without having the distribution included in their income.

Eligibility - A qualified charitable distribution may be made:

- *When the IRA holder is 70.5 or over
- *Directly from the IRA to a qualified charity
- *From a traditional or Roth IRA

Key Benefits:

*For those who give larger gifts-Deductibility limits do not apply to QCDs, which means the QCD can be made in addition to other charitable contributions that may be limited by the annual maximum deductible percentage of income.

*For those who don't itemize deductions-If QCDs are used as the funding source for charitable donations, the donor will receive tax benefits when there otherwise would have been none due to the use of the standard deduction.

*For those who pay taxes on a portion of their Social Security benefits-Income for determining the taxation of Social Security benefits is lower than if the IRA holder had taken the RMD, potentially reducing this taxation.

For more information please call the Parish Office at 369-3816.