

Individual Retirement Account (IRA) Charitable Giving

The Alpha Home team continues to reflect on the unique challenges and triumphs of providing services through a pandemic. Our consistently high standard of treatment is only possible because of the generosity of our donors. You are the key to recovery. Your financial gift provides support, compassion, and access to nationally recognized treatment. If you are age 72 or older, I want to share the following information about IRA giving.

IRS rules require you to take a **Required Minimum Distribution (RMD)** each year from your tax-deferred retirement accounts. Have you considered transferring funds from your IRA to a qualified charity?

Amounts distributed as a **Qualified Charity Distribution (QCD)** can be counted toward your RMD for the year, up to \$100,000. The qualified charity distribution is excluded from your taxable income, unlike a regular taxable IRA withdrawal.

That is a significant distinction because if you take the **RMD** as income instead of a qualified charity distribution, it is taxable and may push you into a higher tax bracket and reduce your eligibility for certain tax credits and deductions. Keeping your taxable income level lower may also help reduce your potential exposure to the Medicare surtax.

The qualified charity distribution (QCD) requirements are:

- You must be at least 70 ½ years old when requesting a (QCD)
- The funds must come out of your IRA before December 31st each year
- Your IRA custodian must issue a check from your IRA payable to Alpha Home, Inc
- The giving limit is \$100,000
- The account types that are eligible for QCD's include:
 - Traditional IRAs
 - Inherited IRAs
 - SEP IRA (inactive plans only)
 - SIMPLE IRA (inactive plans only)

We encourage you to discuss this with your IRA custodian/financial planner and consider making your charitable contribution to Alpha Home. Alpha Home is not qualified to advise on tax matters; please contact a tax professional for your related decisions

If you would like to donate, please reach out to Alicia Shank, Director of Business Development, at (210) 421-2089, or send your check to:

Alpha Home
Attn: Alicia Shank
419 E. Magnolia Ave
San Antonio, Texas 78212

If you have already made an IRA Charitable gift this year, I would like to ask you to consider giving it to Alpha Home in 2022. If you have not already created an IRA gift, there is still time before the end of the year. Please consider giving a gift that is a life-changing investment for the clients we serve.

Respectfully,

Alicia Shank, LMSW
Director of Development