



## Charitable Individual Retirement Account (IRA) Rollover is renewed!

The Charitable IRA Rollover enjoyed by many donors has been extended through 2011.<sup>1</sup>  
This means that you can give directly from your IRA to the Crossways Camping Ministries to benefit Crossways without having to first recognize the distribution as income on your tax return.<sup>2</sup>

### What are the requirements?

- An IRA rollover donor needs to have reached age 70 ½.
- Up to \$100,000 may be transferred from an IRA by December 31 in each year.
- Married couples who each have an IRA can give up to \$100,000 from each IRA by December 31 in each year, thereby giving as much as \$200,000 in each year.
- A recipient charity needs to be a qualified public charity. Crossways Lutheran Camping Ministries, Inc is a qualified public charity.
- An IRA rollover gift needs to be an outright gift – no benefits coming back to the donor (such as with a Charitable Gift Annuity or Charitable Remainder Trust, or a seat at a fundraising dinner) AND no retaining future distribution decisions (such as with a Donor Advised Fund).
- An IRA rollover can be made from a regular IRA or a Roth IRA. An IRA rollover may be made from a SEP-IRA or a SIMPLE IRA only if the IRA owner has retired and is no longer making contributions.
- An IRA rollover can be used to fulfill a pledge.
- An IRA rollover qualifies for the Required Minimum Distribution (RMD) of an IRA owner.

### How do I proceed?

- **Check with your tax advisor about whether giving from your IRA is appropriate for your situation.**
- **Contact your IRA custodian** to obtain any forms they may require and follow their instructions. If your IRA custodian does not have a specific form, please feel free to use the sample letter below. Without going into details about your intentions of how your gift should be used, let your IRA custodian know that you are giving to **Crossways Lutheran Camping Ministries, Inc, 16 Tri-Park Way, Appleton, WI 54914**. Allow your IRA custodian to contact us at 920-882-0023 for Crossways' federal tax ID number, if they require it.
- **Let us know that you are intending to make a rollover distribution from your IRA.** Please provide information about your IRA custodian and the amount to be received, so we can match paperwork and the check from your custodian. **Your communication with us is where you can describe whatever specific ministries should receive the gift of your IRA rollover.** We encourage you to use the sample letter provided.
- Although most IRA custodians transfer IRA rollover funds directly to public charities – like Crossways, some IRA custodians issue a check payable to the charity but send the check to you (the IRA owner) for forwarding to the charity. This transaction still qualifies under the law as an IRA rollover if the check is issued payable to the charity and you deliver the check prior to December 31 of the applicable year. Delivery may be made by physical transfer to a staff member or by placing the check in the U.S. mail by December 31 of the appropriate year. Our address is Crossways Camping Ministries, 16 Tri-Park Way, Appleton, WI 54914.
- Even though an IRA rollover is not included in taxable income and consequently there is no income tax deduction, an IRA rollover donor must still comply with substantiation requirements under the federal tax code. Crossways assists in this by providing an acknowledgment letter for the IRA rollover.

### What are the benefits of taking advantage of the Charitable IRA Rollover?

- You can make a tax-favorable gift from an IRA without waiting until the end of life.
- You can make a year-end gift, especially if you are waiting until year-end to take your IRA required minimum distribution.
- You can give over and above the 50% Adjusted Gross Income (AGI) limit without having to carry deductions forward into subsequent years.
- Distributions are not recognized as income, so they do not contribute to taxation of your Social Security benefits if your level of income subjects you to such taxes.
- You get a tax benefit even if you use the standard deduction instead of itemizing deductions.

### Here to help

We partner with a nationwide network of professional gift planning staff through the Evangelical Lutheran Church in America to help you explore a variety of possibilities for making a significant gift to Crossways Camping Ministries and fulfill your legacy goals at the same time. You can contact us with questions at 920-882-0023 or contact Rev. Larry Westfield, ELCA Regional Gift Planner, Rubicon, WI at 262-224-9574.

*The examples and information on this page are for illustrative and educational purposes only and should not be considered tax or legal advice.  
Please consult with your tax or legal advisor before proceeding with your estate or gift planning.*

<sup>1</sup> This act is The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, and is effective from January 1, 2010 to December 31, 2011.

<sup>2</sup> This is true for federal income tax returns, but it is possible that your state does not recognize the Charitable IRA Rollover, thereby requiring you to recognize income on your state income tax return and then take a charitable deduction. On the federal return, because no income is recognized, no deduction is taken. It's a rollover.