Dear Friends,

As we head into November and the upcoming Thanksgiving holiday, it is the best time of the year to reflect on everything we have to be thankful for; freedom of religion, family, friends, food, shelter and most importantly a Father that loves us absolutely unconditionally.

Today we will highlight the benefits of using your Required Minimum Distribution (RMD), to make a charitable gift. This is a great way to benefit Gleanings for the Hungry with your mandatory distribution and not have to declare it as income, which affects your adjusted gross income, (AGI).

Here are some of the rules that must be followed:

1. The money needs to be transferred directly from your IRA to Gleanings for the Hungry in order to be tax-free. (If you withdraw it from your IRA first and *then* donate the funds to Gleanings, you would have to declare it as income and then take the deduction as a charitable deduction), which increases your AGI
    a. The check must be payable to: Gleanings for the Hungry
    b. The check can be mailed directly to Gleanings, or to your address and forwarded.
2. You must be at least 70 ½ at the time of distribution.
3. Make sure NO tax withholding is done when you call your investment company that holds your IRA, as it will be a tax free contribution and no withholding will be necessary.
4. The maximum combined dollar amount you can give to all combined public charities from your IRA is $100,000 per year.
5. The contribution must be made to a public charity(s), of which Gleaning for the Hungry qualifies.

Note: By excluding the IRA distribution from income, and lowering your AGI, it can help avoid the phase out of itemized deductions and the 3.8% Medicare tax on investment income.

I hope you find this helpful, please feel free to contact us with any questions you may have and may you have a very blessed Thanksgiving!

Gleanings for the Hungry

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This information is provided for educational purposes only. For legal advice, contact an attorney.