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## IRA Charitable Rollover

The IRA Charitable Rollover tax incentive, which is available through 2009, allows individuals aged 70½ and older to donate up to \$100,000 from their Individual Retirement Accounts (IRAs) and Roth IRAs to public charities without having to count the distributions as taxable income. It will take congressional action to extend the giving incentive into 2010 and beyond. The Public Good IRA Rollover Act (S.864/H.R.1250) would extend the incentive permanently, remove the cap on gifts, lower the age limit, and permit donations to more organizations.

### Talking Points

- Since enactment in August 2006, the IRA charitable rollover has generated a significant amount of new charitable giving by eliminating the barrier in the tax law that had discouraged transfers from individual retirement accounts to charities.
- The IRA charitable rollover enabled Americans aged 70½ and older to make millions of dollars of new contributions to nonprofits – including hospitals, human services charities, and religious organizations – that serve people every day.
- The IRA Charitable Rollover provision has proven to be a simple, efficient and effective means to provide millions of dollars to charitable organizations and benefit millions more Americans.
- The IRA rollover is particularly helpful for older Americans who do not itemize their tax deductions and would not otherwise receive any tax benefit for their charitable contributions.
- *[Explain how your organization has used donations from IRA rollovers to have an impact in your community.]*
- The IRA rollover will increase donations to the nation's nonprofit charitable organizations. The resulting gifts -- ranging from as little as \$10 to the legal maximum of \$100,000 – helped organizations build cancer centers, develop programs for counseling at-risk youth, support housing for homeless families, conserve wilderness areas, and provide art therapy for people with developmental disabilities.
- The **Public Good IRA Rollover Act of 2009** (S.864/H.R.1250) would build on the success of the current IRA Rollover by making it permanent, removing the current dollar limit on donations per year, making all charities eligible to receive donations, and providing IRA owners with a planned giving option starting at age 59½.