

# Benefit from giving through your IRA.



HEALTH SERVICES



If you are 70 ½ or older, you can make a tax-free charitable gift to Outer Cape Health Services directly from your IRA.

IRA distributions are exempt from taxable income and qualify for the Required Minimum Distribution (RMD). Below is an example demonstrating the options a retired couple has in giving to charity, and the tax savings when making a Qualifying Charitable Distribution (QCD) from an IRA directly to nonprofits.

The Lees are a retired couple who have paid off their mortgage. They give \$5,000 every year to Outer Cape Health Services. Their adjusted gross income (AGI) is \$85,000. When determining how they will give to charity, they have **two options**.

## Option 1

The Lees make charitable contributions from their checking account.



They give a total of \$5,000 to Outer Cape Health Services.



The Lees' taxable income is **\$59,700**.

Total tax bill: **\$6,783**

## Option 2

The Lees make Qualifying Charitable Contributions (QCDs) from their IRA to nonprofits.



They give a total of \$5,000 to Outer Cape Health Services via QCDs.



On their tax returns, their QCDs do not count as taxable income.

The Lees' taxable income is **\$54,700**.

Total tax bill: **\$6,183**

**Donating through their IRA saves the Lees \$600 per year.**

When requesting an IRA distribution, reference OCHS' tax ID: **04-2509858**.

Please note there is a \$100,000 limit on annual donations.

**For more information, please contact Kathleen Weiner, OCHS Chief Development Officer, at (508) 905-2851.**