

Using Your IRA Required Minimum Distribution (RMD) to Support GCLWCF

A simple tax-efficient strategy called a Qualified Charitable Distribution (QCD)

What Is a Qualified Charitable Distribution?

A Qualified Charitable Distribution (QCD) allows individuals age 70½ or older to transfer money directly from a Traditional IRA to a qualified charity. The amount donated counts toward your Required Minimum Distribution (RMD) but is not included in your taxable income.

Why Many Retirees Use This Strategy

Benefit	Explanation
Reduce Taxes	The amount sent directly to charity is excluded from taxable income.
Satisfy Your RMD	The donation counts toward your Required Minimum Distribution.
Lower Adjusted Gross Income	Reducing income may help limit Social Security taxation and Medicare premium increases
Works With Standard Deduction	Provides tax benefits even if you do not itemize deductions.

Example

Scenario	Taxable Income
Take \$25,000 RMD Personally	\$25,000 taxable income
Send \$10,000 to charity using QCD	Only \$15,000 taxable

Key Rules

- You must be age 70½ or older.
- The funds must go directly from your IRA custodian to the charity.
- The charity must be a qualified 501(c)(3) organization.
- Up to \$105,000 per person, per year (as indexed for inflation) can be donated through a QCD.
- The distribution must come from a Traditional IRA.

Tax laws are subject to change, and individual circumstances vary. Consult your tax professional to determine whether this strategy may be appropriate for you.