

DID YOU KNOW...?

Did you know that... on December 16th the Congress passed an extension of the Bush tax cuts for another two years. One, among many, of the ramifications of the bill is the extension of the charitable IRA rollover gift opportunity. This is an incentive for charitable giving that applies to individuals 70 ½ years of age and older. The gift can be from a traditional or a Roth IRA. It is effective for 2010 and 2011.

There is urgency for those who wish to utilize this incentive in 2010. Due to a December 16 passage of the bill, donors have an extension until January 31, 2011 to make a distribution that will apply to 2010. Contributions can be made up to \$100,000.

What are the benefits?

- No taxes were paid when funds were placed into the account and no taxes are paid through the direct transfer of funds to a charitable organization.
- IRA funds are subject to Federal and State income tax if withdrawn during one's lifetime as well as part of an estate. Because a hefty fine can be received if funds are not withdrawn (based on the amount in the IRA at the beginning of the year and life expectancy) if personal income taxes are a concern, this tax law can be a great savings.

•While less financial in nature, Biblically we are called to be good stewards of the resources God provides. This ruling allows individuals to support kingdom causes without impacting income.

Please remember if transferred to a non-profit, the funds cannot be reported on a tax return as a charitable deduction as well, however they are tax free.

While the IRA contribution doesn't apply to everyone, it is beneficial to communicate the tax savings to family members who are 70 ½ or older as well as friends, members of one's church and any other charitable organization.

The Council on Development is available to assist in the transfer of these funds, however always consult with your financial advisor to assure the benefit applies to your circumstances. The Council on Development can be reached at 614.844.6200, Ext 212 or Ext 224.

COUNCIL ON DEVELOPMENT

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