



## CHARITABLE GIVING AND YOUR IRA

Giving to nonprofits through your IRA has never been easier. Now, you can choose to make a gift that is both generous and tax-smart through your annual Required Minimum Distribution or your estate.

### Give the gift of a lifetime.

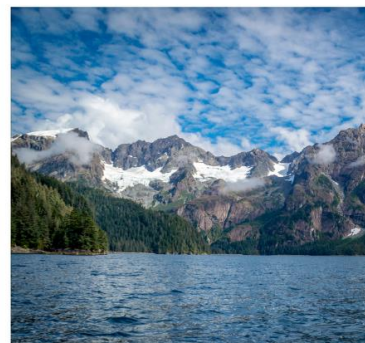
Thanks to the SECURES Act 2.0, if you are 73 or older you can give directly from your traditional IRA to a qualified charity, such as The Alaska Community Foundation. This qualified charitable distribution is not subject to federal taxes, can satisfy your Required Minimum Distribution, and can be made during the year.

Your retirement funds can go further than ever before. The IRS requires individuals who are 73 or older to take a minimum distribution from traditional retirement plan accounts, but now you can give up to \$100,000 of your Required Minimum Distribution annually from a traditional IRA without incurring income taxes today or estate and income taxes in the future. If you are married, you and your spouse can transfer up to \$100,000 from each traditional IRA annually. Think of the impact you can make by giving this way. You can support charitable organizations such as The Alaska Community Foundation while reducing your taxes.

### Give through your estate to make a lasting difference.

#### IRA Donations

Because of your decision to gift some or all your IRA, neither you nor your heirs will pay income taxes on the distribution of the assets donated to a charitable organization such as The Alaska Community Foundation. Many people think IRA distributions are income tax-exempt, but they are not. The IRS defers taxes until distributions are made from the IRA, whether distributed to you or to others through your estate. Naming a charity as a beneficiary on your IRA means that no one ever pays income tax on that asset. Think about that for a moment. Why leave an after-tax gift to charity when you can make a tax-favored donation? It need not be your only beneficiary. Instead, you can name a charity to receive a fixed percent of your IRA as the primary beneficiary. You can also name the charity as a contingent (secondary) beneficiary to receive from beneficiary disclaims if your primary beneficiary does not survive you.



## 401(k) Beneficiary Designations

The same tax benefits are available for 401(k) beneficiary designations as IRAs. Naming a charity as a beneficiary of your 401(k) means that no one ever pays income tax on that asset.

## Life Insurance Beneficiary Designations

Naming a charity as a beneficiary on life insurance is another painless way to do good things for causes you believe in. While life insurance does not have the same income tax benefit as IRAs and 401(k)s, they can still provide much-needed support for Click or tap here to enter text.

It is easy to change your IRA, 401(k) or life insurance beneficiary designation. Your insurance agent, CPA, financial advisor, or attorney can assist you with these simple forms.

---

*This document is provided for your information and is not intended to provide legal or tax advice. We strongly encourage donors to talk with their accountant, attorney and/or financial advisor for advice on your estate and financial planning.*

---



### LEARN MORE TODAY

The Alaska Community Foundation  
3201 C Street, Suite 110 Anchorage, AK 99503  
[www.alaskacf.org](http://www.alaskacf.org) | (907) 334-6700 | [info@alaskacf.org](mailto:info@alaskacf.org)



Updated 05/02/2023