

## STEP-BY-STEP INSTRUCTIONS FOR TRANSFERRING FUNDS FROM YOUR IRA TO THE UNIVERSITY OF ROCHESTER:

1. Contact your advisor or representative at the financial institution that holds your IRA.
2. Tell your representative that you wish to make a QCD from your IRA to the University of Rochester.
3. Request a check made payable to the "University of Rochester" and indicate that it is "a qualified charitable distribution from the account of (Your Name)." For wire transfers, request transfer instructions from us.
4. University of Rochester Federal Tax ID: #16-0743209.
5. Please contact us and let us know to expect a payment, indicating any designations such as school, hospital, or fund.

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*The process for establishing a charitable gift annuity is similar but requires contractual paperwork. Please contact the Office of Trusts, Estates & Gift Planning for detailed information on establishing a charitable gift annuity at the University.*

*The Protecting Americans from Tax Hikes (PATH) Act of 2015 was signed into law on December 18, 2015 and made permanent what is popularly known as the IRA charitable rollover. The SECURE Act 2.0 of December 29, 2022 gave IRA owners turning 72 years of age in 2023 until age 73 before required minimum distributions (RMDs) must be taken.*

*Consult your tax advisor about the applicability of these legal principles to your individual situation.*

## Three Ways To Make Tax-Free Gifts from Retirement Accounts



UNIVERSITY of  
ROCHESTER

### Office of Trusts, Estates & Gift Planning

Box 278799 • Rochester, NY 14627-8799

(585) 275-8894

(800) 635-4672 toll free

[giftplanning@rochester.edu](mailto:giftplanning@rochester.edu)

[www.rochester.giftplans.org](http://www.rochester.giftplans.org)



## 1. Qualified Charitable Distributions: Gifts of Cash

Normally, a distribution from your Traditional IRA is taxed as ordinary income. However, you may be eligible to make a tax-free qualified charitable distribution (QCD) from your IRA to the University of Rochester. The transfer “counts” toward your required minimum distribution (RMD).

### TO QUALIFY

You must be 70½ years of age and transfer funds directly from your IRA.

QCDs can be made from a Traditional or Roth IRA. Retirement plans such as pensions and 401(k) or 403(b) plans must first be transferred to an IRA.

### PLEASE NOTE

- As of January 1, 2024, the maximum QCD, indexed for inflation, is 105,000 per person; a married couple with separate IRAs may give up to \$210,000 per year.
- The required minimum distribution (RMD) age increased to 73 on January 1, 2023.
- Transfers to donor-advised funds, supporting organizations, or private foundations do not qualify.
- The transfer is not included in your adjusted gross income (AGI) and is therefore tax-free. There is no charitable deduction, but the transfer is not subject to AGI limitations on charitable deductions.

### A Qualified Charitable Distribution may be especially beneficial if:

- You do not itemize your deductions (i.e. you take the standard deduction).
- You would like to pay an existing pledge or make an additional contribution to the University of Rochester.
- You are already giving at your deduction limit and want to do more.

## 2. Qualified Charitable Distributions: Life Income Gifts

The Secure Act 2.0 of December 29, 2022, allows for IRA transfers to fund a University of Rochester charitable gift annuity (CGA) subject to certain restrictions and limitations.

### TO QUALIFY

Donors 70½ years of age may make a one-time life transfer up to \$53,000 in a single tax year.

### PLEASE NOTE

- Beneficiary(s) must be the donor and/or donor’s spouse.
- Counts toward the \$105,000 per person maximum distribution.
- Transfers must fund a new CGA solely with IRA assets.
- Income received is ordinary income.
- There is no charitable income tax deduction because the gift is a 100% tax-free distribution.

## 3. Gifts By Beneficiary Designation

An easy and tax-wise way to make a generous future gift is by naming the University of Rochester as a revocable beneficiary of retirement assets.

### TO QUALIFY

Retirement assets are ultimately distributed by beneficiary designation. Contact your account manager and direct a percentage to the University.

### PLEASE NOTE

- These gifts pass after the death of the account holder, directly to the University free of income tax or estate tax.
- We encourage donors who wish to direct their gift to a specific purpose to establish a gift agreement that will govern the use of your retirement funds when received by the University.