

CHARITABLE IRA ROLLOVER
FREQUENTLY ASKED QUESTIONS (FAQ)

WHAT IS THE MINIMUM AGE FOR MAKING A CHARITABLE IRA ROLLOVER GIFT?

You must turn 70-1/2 prior to completing the distribution.

IF I MAKE A CHARITABLE IRA ROLLOVER GIFT, DOES IT AFFECT MY REQUIRED MINIMUM DISTRIBUTION (RMD)?

The amount distributed to Pacific will be deducted from your RMD.

I HAVE HEARD ABOUT “QUALIFIED CHARITABLE DISTRIBUTIONS” (QCD). IS THIS THE SAME THING AS A CHARITABLE IRA ROLLOVER?

Yes. A QCD is the language used in the tax code, but they are more often referred to as Charitable IRA Rollovers.

IS THERE A TAX DEDUCTION FOR MAKING A CHARITABLE IRA ROLLOVER?

IRA rollover gifts are not deductible – but the money is never included in your income in the first place, which for many people is more favorable than a deduction.

I HAVE A ROTH IRA. CAN I USE IT FOR A CHARITABLE IRA ROLLOVER?

Roth IRAs are eligible for rollover treatment; however, you may wish to discuss with your financial advisor whether this is the best way for you to give.

I DON'T HAVE AN IRA. CAN I MAKE A CHARITABLE IRA ROLLOVER FROM ANOTHER RETIREMENT ACCOUNT?

You cannot make a tax-free transfer from your 401(k), 403(b), etc., to charity, but you can roll over money from the account to an IRA and then make transfers to charity. If you're 70.5 or older, you'll have to take your RMD from your 401(k) or other account before you can roll over the balance; please discuss with your tax or financial advisor.)

WHAT IS THE MINIMUM GIFT SIZE? AND IS THERE A MAXIMUM GIFT SIZE?

The minimum gift size depends on the policies of your IRA custodian. The maximum distribution permitted by the IRS is \$100,000, per account holder (i.e., per spouse), per year.

ARE THERE RESTRICTIONS ON THE CHARITABLE IRA ROLLOVER?

A rollover cannot be used to make gifts when the donor receives a benefit in return (i.e., to attend a dinner).

HOW DO I INITIATE A CHARITABLE IRA ROLLOVER?

In most cases, you should start by contacting your IRA custodian. If you have an IRA with check-writing features, please be aware that your check must be made out to “University of the Pacific” and must clear your account by December 31 to count toward your RMD.

WHEN SHOULD I INITIATE A REQUEST FOR A DISTRIBUTION?

You may request a distribution at any time during the year. If you intend that your distribution count toward your RMD, please begin your transfer by early December to allow ample time for your transfer to be completed.

ARE THERE SPECIAL FORMS I NEED TO USE?

Your IRA custodian may have its own form to request the transfer; if not, we have enclosed a sample instruction letter for your custodian.

IF I MAKE A GIFT THROUGH A CHARITABLE IRA ROLLOVER, WILL MY GIFT BE ELIGIBLE FOR THE 1:1 POWELL MATCH?

Yes! You may choose to make your gift to an existing “Powell matched” endowment or we can establish your own endowment to qualify your gift for the Powell Match.

CAN MY IRA GIFT SATISFY A PLEDGE OR CREATE AN ENDOWMENT?

Yes! Payment schedules of various lengths may be established by the donor with a maximum duration of five years.

WHAT TYPE OF ACKNOWLEDGEMENT SHOULD I EXPECT?

We will send you a written acknowledgement of your gift to thank you and to confirm the amount of your gift and its intended purpose. Because there is no income tax deduction, you will not receive a conventional receipt.

HOW DO I KNOW IF A CHARITABLE IRA ROLLOVER IS RIGHT FOR ME?

If you are over age 70-1/2 and have an IRA, the rollover might be right for you if:

- You do not itemize deductions
- You don't need your required minimum distribution (RMD)
- Your RMD causes more of your Social Security income to be taxed
- You are making charitable contributions at your deduction limit, but want to do more

I HAVE MORE QUESTIONS. WHOM SHOULD I CONTACT?

Please call the Office of Estate and Gift Planning at 209-946-2294 or e-mail us: legacy@pacific.edu. Thank you for your consideration of a gift to Pacific!