

IRS Reminder: Special Charitable Contributions for Certain IRA Owners

An IRA owner, age 70 ½ or over, can directly transfer tax-free up to \$100,000 per year to an eligible charitable organization. This option, created in 2006 and recently extended through 2009, is available to eligible IRA owners, regardless of whether they itemize their deductions. Distributions from employer-sponsored retirement plans, including SIMPLE IRAs and simplified employee pension (SEP) plans, are not eligible.

To qualify, the funds must be contributed directly by the IRA trustee to the eligible charity. Amounts so transferred are not taxable and no deduction is available for the amount given to the charity.

Not all charities are eligible. For example, donor-advised funds and supporting organizations are not eligible recipients.

See link below for additional information

<http://www.irs.gov/newsroom/article/0,,id=201076,00.html>