

Will Expire Soon: IRA End of the Year Tax Savings

Did you know that you can reduce your taxes for 2013 by making a gift from your IRA to your church or charity? The fiscal cliff act permits individuals who are 70½ to rollover up to \$100,000 from their IRA to charity free from federal income tax. Better yet, an IRA rollover gift qualifies for your 2013 Required Minimum Distribution, permitting you to lower your income and taxes for this year while helping your local parish!

Normally, IRA owners of this age are required to withdraw a certain amount each year from their account, which then increases their taxable income and potentially pushes them into a higher tax bracket eliminating other beneficial tax breaks. But for the remainder of 2013, the law permits individuals to contribute these funds directly to their church or other charity tax free! Thus, individuals can reduce their 2013 income taxes while 100% of their required withdrawal goes to support a purpose they choose.

For seniors, this opens another “pocket” to finance their annual parish pledge. They may also use their tax free IRA rollover to make a one-time donation, of up to \$100,000, to create a named endowment fund, support youth ministry or continue any other special program they choose.

But act fast, this law is set to expire at the end of 2013 if Congress does not enact its renewal! Contact us today to learn more about how you can redirect unneeded IRA income to help further our mission and enjoy valuable tax savings this year.

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