

December 21, 2015

Dear Jim,

The IRA Charitable Roll-over rule has been reinstated! This rule has been very popular among those who are of the age to take advantage of it. You may want to send out word to the Johnnies on your list.

The new law makes the IRA charitable rollover retroactive to Jan. 1, 2015. It will now be a permanent part of the IRS Tax Code.

If you are 70½ or older, you are once again eligible to move up to \$100,000 from your IRA directly to qualified charities without having to pay income tax on the money.

Here is a recap of the IRA charitable rollover rules. You may make a direct transfer if:

1. You are 70½ years of age or older on the day of the gift.
2. You transfer up to \$100,000 directly from your IRA to one or more qualified charities. This opportunity applies only to IRAs and not to other types of retirement plans.
3. You do not accept any goods or services in return for the rollover gift.
4. You make the gift by Dec. 31, 2015.
5. IRA gifts cannot be used to pay off enforceable pledges.

This is a small but important part of the “Protecting Americans from Tax Hikes Act of 2015” that was signed into law by President Obama on December 18, 2015.

Merry Christmas!

Steve Zimmerman '72