

Can you give a Qualified Charitable Distribution to State Street Church?

How might that help you?

What determines if you can give a Qualified Charitable Distribution (QCD)?

1. You must be at least 70 ½ years old.
2. The funds must come from an IRA account – various types of IRAs qualify.
3. The funds must go directly from the IRA to the church. (If they go to you and then to the church, you lose the tax savings.)

Why should I do that?

1. Because it will reduce your taxable income and save you money.
2. Because you didn't pay taxes on the IRA (except for Roth IRAs which do not qualify for this) you must pay taxes on any money that you take out each year. However, if you send the money directly to the church as a QCD (up to \$108,000 per person) it doesn't get added to your taxable income.
3. It can count toward your Required Minimum Distribution after you are 73 without adding to your taxable income.
4. By reducing your taxable income it may reduce the percentage of your Social Security benefits that you have to pay taxes on.

A couple of things to think about

1. If you normally itemize deductions and include your gifts to the church as part of the itemization, you may want to figure out which way is more advantageous for you to treat your gifts to the church. You cannot count the same gift as both an itemized deduction and a Qualified Charitable Distribution.
2. Usually one would make a QCD in one or two larger payments each year instead of weekly or monthly payments.
3. 401K accounts do not qualify for this distribution.
4. Always check with your tax preparer to help determine if this is a good option for you.

Is State Street Church in your will?

One of the reasons that State Street Church has been able to weather financial difficulties over its life is because members of the past have remembered the church in their wills, leaving various sums of money over the past nearly two centuries. Those funds, invested on behalf of the church, or used for special capital projects, have often been the factor ensuring the church's continued existence. Please consider adding State Street Church to your will and leaving a bequest to the church.