



The IRA Charitable Rollover

The IRA Charitable Rollover allows individuals ages 70½ or older to make an outright gift of as much as \$100,000 annually to Harvard from a traditional IRA. The withdrawal amount, known as the qualified charitable distribution (QCD), may count toward your annual required minimum distribution. The QCD must be paid directly from your IRA to Harvard.

Frequently Asked Questions

When can I make a rollover gift from my IRA?

You can make the transfer beginning when you are 70½ years old, which coincides with the age at which IRA account holders must make annual required minimum distributions from their IRAs. A qualified charitable distribution counts toward your required minimum distribution.

What is a Qualified Charitable Distribution (QCD)?

A QCD is an otherwise taxable distribution from an IRA owned by an individual who is 70½ or older that is paid directly from the IRA to a qualified charity.

Do I receive an income tax deduction with a Charitable IRA Rollover gift?

You do not receive a tax deduction for a rollover gift from a regular IRA; the transfer, however, is not recognized as taxable income. Because a QCD reduces income and is not an itemized deduction, the gift benefits even those donors who do not itemize but instead file the standard deduction.

Is my 401(k) eligible for Charitable Rollover treatment?

No. However, it may be possible to transfer or rollover funds from a non-IRA qualified retirement plan [401(k), 403(b), etc.] to an IRA. Check with your retirement plan administrator for eligibility and guidelines. Once the new IRA is established, you may then initiate an IRA rollover gift.

Are there limits on the gift amount?

While your IRA administrator may have a minimum amount for each distribution, Harvard has no minimums in accepting these gifts. The maximum withdrawal may not exceed \$100,000 annually per individual for all such gifts. A married couple with separate IRAs may each transfer as much as \$100,000 annually to Harvard.

How do I initiate a Charitable IRA Rollover?

Contact your IRA administrator to request a Charitable IRA Rollover. Visit our website for sample letters if your administrator does not have special forms or check writing. You will also find a corresponding letter to inform Harvard how you wish to direct your rollover gift.

The IRA Charitable Rollover (cont.)

Are there restrictions on Charitable IRA Rollover gifts?

A Charitable IRA Rollover is only eligible for outright donations and cannot be given

- to a Donor Advised Fund, supporting organization, or private foundation;
- in exchange for benefits such as tickets to an event, membership, etc.; or
- to fund a life income gift, such as a charitable gift annuity or charitable remainder unitrust.*

**You may withdraw funds from your IRA to establish a life income gift; however, the full amount of your withdrawal is treated as ordinary income for tax purposes. The charitable tax deduction from the life income gift may partially offset the withdrawal.*

How do I use my check-writing facility to transfer funds from my IRA to Harvard?

Some custodians offer check-writing privileges or special forms to initiate the gift to Harvard.

Checks payable to "President and Fellows of Harvard College" may be mailed to:

Harvard University Planned Giving
Attn: Kara Morin
124 Mount Auburn Street
Cambridge, MA 02138

Note: For tax purposes, the date of the gift is the date the funds leave your IRA account (not the postmark on the envelope). It is important to allow sufficient time for the rollover check to clear to ensure that the funds are withdrawn during your preferred tax year.

What type of acknowledgment should I expect to receive from my IRA gift to Harvard?

Harvard sends an acknowledgment and statement that no goods or services were received in exchange for the gift to your IRA administrator. Separately, you will receive a letter of thanks that states the gift is an IRA rollover and confirms the designation. You will receive recognition gift credit for the full amount of your IRA gift.

How do I report my QCD?

A QCD is reported by your IRA custodian as a normal distribution on IRS Form 1099-R for any noninherited IRAs. To report a QCD on your Form 1040 tax return, you generally report the full amount of the charitable distribution on the line for IRA distributions. On the line for the taxable amount, enter zero if the full amount was a qualified charitable distribution. Enter "QCD" next to this line. You should keep the acknowledgment of the donation from Harvard for your tax records. Check with your tax advisor to confirm your personal tax reporting requirements.

If I have more questions, whom should I contact?

Contact the Office of Gift Planning at 617-496-3205 or ogp@harvard.edu. Additional information may be found on the Office of Gift Planning website (alumni.harvard.edu/ogp/ira).

The information provided here is not offered as tax or legal advice. Donors and potential donors should consult with a qualified tax advisor regarding their own specific circumstances, the tax and nontax considerations, and consequences associated with the gift described in this document.