



GET QUOTE

Go

SEARCH SITE

Go

Log-In | Home | E-mail Alerts | My Headlines | Portfolio

Upgrade to StreetInsider Premium! - Free Trial

\$4.95

JOIN SI Premium Ratings Insider M&A Insider EPS Insider Dividend Insider IPO Insider HF Insider Premium Letters Submit Release

QUICK LINKS: VA Picks Up Bullish Coverage Potential 2015 Biotech Surprises **SI Premium Gift** Follow @Street_Insider 34.5K followers Like 4.3k

Press Releases



Qualified Charitable Distributions (QCDs) To Be Allowed for Self-Directed IRAs for 2014 - to Offer Tax Planning Opportunities for IRA Holders and a Boost to Charities

Article Comments (0)

December 29, 2014 3:00 PM EST

Tweet 0

Like 0

Send to a Friend

New York, NY (PRWEB) December 29, 2014

On December 19, 2014, with just over two weeks left in the 2014 calendar year, Congress passed the "extenders bill" for 2014 (the Tax Increase Prevention Act of 2014). The bill, which extends the life of a number of tax breaks through 2014, passed the Senate 76-16. Only 60 votes were needed for approval. President Barack Obama is expected to sign the bill into law shortly. This bill revived qualified charitable distributions (QCDs) for 2014 only. A QCD must be made in 2014 and cannot be made in 2015. "The "extenders bill" which extends Qualified Charitable Distributions for 2014 offers exciting tax planning opportunities to retirement account holders," stated [Adam Bergman](#), a tax partner with the IRA Financial Group. "Of course, most tax practitioners would have like to have the QCD extended much earlier in the year allowing for more time for tax planning, but it is a huge boost that it was included in the bill," stated Mr. Bergman.

According to Mr. Bergman, the QCD is essentially a tax efficient method for donating to a charity in light of the IRS required minimum distribution (RMD) rules. Under the RMD rules, one is required to withdraw a minimum amount from your retirement account each year and report that amount as income. You generally have to start taking withdrawals from your IRA or retirement plan account when you reach age 70½. Roth IRAs do not require withdrawals until after the death of the owner. Essentially, a QCD allows to take up to \$100,000 and donate it directly to a charity out of an IRA so the charity gets the full \$100,000 and you can reduce the amount of your RMD. The downside is that you don't get the charitable deduction, but the upside is that you don't have to claim the charitable donation as income as part of your RMD. The following are some of the main rules involved in taking a QCD for the 2014 taxable year: (i) The IRA owner must be age 70 ½ or older; (ii) The donor must directly transfer the money tax-free to an eligible organization; (iii) The maximum amount that an IRA owner may transfer annually tax-free is \$100,000 to an eligible organization; (iv) Distributions from employer-sponsored retirement plans, including SIMPLE IRAs and simplified employee pension plans – commonly referred to as SEP Plans – are not eligible; (v) Amounts transferred are not taxable and no deduction is available for the amount given to the charity unless non-deductible contributions are transferred; (vi) Transferred amounts are counted in determining whether the owner has met the IRA's required minimum distribution rules; (vii) and for a married couple where each spouse has their own IRAs, each spouse can contribute up to \$100,000 from their own IRAs.

The inclusion of the QCD law in the "extenders bill" will help retirement account holders shied up to \$100,000 of income that would have otherwise have to pay as an RMD and at the same time help many U.S. charities that could really benefit from the funds. "The QCD law is a really generous tax break the offers to retirement account holders. The QCD allows to take up to \$100,000 that would have been subject to tax as part of their RMD requirements and and donate it directly to a charity out of an IRA so the charity gets the full \$100,000," according o Mr. Bergman. "The IRS, of course, is not going to allow you to reduce your income tax as well as receive a charitable deduction, but the QCD law is a noble gesture on the part of the IRS to help charities out,"stated Mr. Bergman. The downside is that you don't get the charitable deduction, but the upside is that you don't have to claim the charitable donation as income as part of your RMD.

In the case of a "checkbook control" [self-directed IRA LLC](#), an IRA holder that wishes to make a QCD for the 2014 taxable year, must send the funds to the IRA custodian and then have the IRA custodian direct the funds to the charity. The QCD should not be made directly from the IRA LLC to the charity, but should go through the IRA custodian.

FREE Breaking News Alerts from StreetInsider.com!

E-mail Address

Subscribe

StreetInsider.com Top Tickers, 12/31/2014

- | | |
|---------|----------|
| 1. MIG | 6. ZGNX |
| 2. NRX | 7. FTEK |
| 3. PEIX | 8. HNH |
| 4. AQXP | 9. NDRM |
| 5. GSAT | 10. TSLA |

Top News Most Read Special Reports

- ▶ China Manufacturing Contracted in Dec.; Fall in Orders Led by Soft Domestic Demand (FXI)
- ▶ Fosun to Acquire Meadowbrook Insurance (MIG) for \$8.65/Share
- ▶ Pre-Open Stock Movers 12/31: (NRX) (RDHL) (MIG) Higher; (NDRM) (GSAT) Lower (more...)
- ▶ Top 10 S&P 500 Performers of 2014
- ▶ Bottom 10 S&P 500 Performers of 2014

The IRA Financial Group was founded by a group of top law firm tax and ERISA lawyers who have worked at some of the largest law firms in the United States, such as White & Case LLP, Dewey & LeBoeuf LLP, and Thelen LLP.

IRA Financial Group is the market's leading solo 401k plan provider. IRA Financial Group has helped thousands of clients take back control over their retirement funds while gaining the ability to invest in almost any type of investment, including real estate without custodian consent.

To learn more about the IRA Financial Group please visit our website at <http://www.irafinancialgroup.com> or call 800-472-0646.

Read the full story at <http://www.prweb.com/releases/Qualified-charitable-QCD-distribution-IRA-2014-IRS/prweb12417039.htm>

8% Annuity Income Secret

seniorannuityalert.com

Dont Buy An Annuity Til You See Our Secret to 8% Guaranteed* For Life

[Tax Benefits for Seniors](#)

[IRA Real Estate eBook](#)

You May Also Be Interested In

- [RBC Capital's Top Ten Internet Surprises For 2015 \(GOOG\) \(FB\) \(AMZN\) \(NFLX\)](#)
- [Oceaneering to Participate at the Goldman Sachs Global Energy Conference 2015](#)
- [Engine Capital Delivers Letter to PFSweb \(PFSW\), Speed Commerce \(SPDC\); Pushes for Combination](#)

8% Annuity Income Secret

seniorannuityalert.com

Dont Buy An Annuity Til You See Our Secret to 8% Guaranteed* For Life

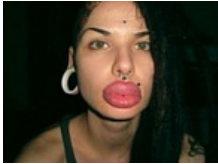
Growing Business

Looking for ways to grow your small business? FedEx has smart solutions to help. FedEx®. Solutions that matter.

Promoted by FedEx

Offers and articles from around the Web

Advertisement



These 10 Women Will Shock You!
LikeShareTweet



You Won't Believe Your Eyes with These Perfectly Timed Pictures! Well Timed Photos



88.7% Of Americans Fail THIS 8th Grade History Quiz. Are You Part Of The Rare Few Who Can...
Vyped



Michelle Obama & Celebrity Prom Pictures That Are Worse Than Yours
Parent Media Group



Select the right game your skill level and pocket Don't jump into game with higher...
WSOP

4 Ways to Avoid Running Out of Money During Retirement

If you have a \$1,000,000 portfolio, download the guide by *Forbes* columnist Ken Fisher's firm. Even if you have something else in place, this must-read guide includes research and analysis you can use right now. Don't miss it!

[Click Here to Download Your Guide!](#)



12 Unrecognizable Child Stars
Radar Online



Lyndhurst residents rattled by who they just discovered on controversial new site
InstantCheckMate

From around the web

[Warren Buffett Reveals How Anyone With \\$40 Could...](#) The Motley Fool

[If any of these things are happening at your...](#) SL Banking

[\(Shocking\) Did President Reagan set into motion a...](#) AI Sears MD

[Bipolar disorder affects millions of people: See...](#) Active Beat

[20 Celebs Who Should Have Stopped At One Nip &...](#) CelebrityHiccup

TODAY'S OFFERS

COMPARE BROKERS

	<p>tradeMONSTER Paramount Platform Outstanding User Experience</p>	<p>tradeMONSTER Paramount Platform Outstanding User Experience</p>
--	--	--

[VIEW ALL](#)

Related Categories

[Create E-mail Alert](#)

[Press Releases](#)

Related Entities

[Barack Obama](#)

Add Your Comment

[Login with Facebook](#)

[Sign in with Twitter](#)

Name

Subject

Body

[Add Your Comment](#)

Sign up for StreetInsider Free!

Receive full access to all new and archived articles, unlimited portfolio tracking, e-mail alerts, custom newswires and RSS feeds - and more!

Signup for StreetInsider Premium Today!

Free Trial!

Sponsored Links

Hot Stock Alert - TAYO
 The Heat is Rising. West Texas Real Estate is Booming! Invest Now!
thirdavenuedevdevelopment.com



Your Credit Matters
 Monitor your credit. Man...
www.equifax.com



\$1,200 Instant "Dividend"
 This woman collects \$1,...
ProfitableTrading.com

[Buy a link here](#)

[Home](#) [Member's Home](#) [Premium Content](#)
[Links](#) [Entities](#) [About StreetInsider](#) [Get Our Content](#)
[Advertise with Us](#) [Contact Us](#) [Disclaimer](#) [Privacy Policy](#)

Free News Feed
[Get our RSS Feed!](#)

© Copyright 2014 StreetInsider.com