

# GIVING TO YOUR PARISH

*As you plan your giving for 2016 consider that there are ways to make revocable or irrevocable planned and deferred gifts to the parish in addition to outright cash. Here are some options to consider.*

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## **IRA Charitable Rollover is now a Permanent Program**

The IRA (Individual Retirement Account) Charitable Rollover Program has existed since 2006. Congress made the program permanent on December 18, 2015, and it will no longer need to be approved each year. Its purpose is to encourage charitable giving by providing the donor with a significant tax break.

Due to the Pension Protection Act, and more recently, the Protecting Americans from Tax Hikes Act, people over 70½ years of age may donate up to \$100,000 annually from their IRA principal or minimum distribution without paying federal or state income tax on these funds. Funds received from an IRA, if not given to a charity, must be claimed as taxable income.

Individuals with traditional IRAs may make tax free gifts to qualified 501(c)(3) charities by direct transfer, but may not direct gifts to donor advised funds, charitable remainder trusts, gift annuities or similar planned gifts. Donors may not claim an income tax deduction if they give in this manner. 401(k) and 403(b) plans, or other non IRA plans do not qualify. Check with your advisors to determine if you may transfer funds from other pretax accounts into an IRA and then make a charitable gift(s) from that IRA.

Donors over 70½ may use this method for their regular charitable gifts each year for offertory or parish share, or use it to make capital campaign gifts, pay off capital campaign pledges or to create permanent endowed funds for the parish through the Diocesan Foundation. A married couple with separate IRAs may each contribute up to \$100,000 during each tax year.

## **How to Initiate a Tax Free Gift from Your IRA**

- Call your IRA fund custodian/investor/broker.
- He/she may have a form for you to complete to give instructions to him/her regarding the charity(s) you wish to receive gifts and when you wish to make these donations.
- The fund custodian will then send a check made payable to the charity from your IRA minimum distribution or principal. (If requested, the check can be mailed to you to send out personally.) To avoid paying taxes, the check must be made payable to your parish/school/diocese (or other charity).
- It is helpful to have the check sent directly to you. You can then send it (with your name and address) to the charity, as many IRA custodians do not identify the donor's name and address when they send the check directly to the charity.
- The charity/parish/diocese will send a special letter of acknowledgement to the donor indicating that the gift from the IRA was received and the date it was received. This will verify that the gift should not be claimed as taxable income.
- Your broker/fund custodian/investor may have other instructions for you. If he/she is not sure how to proceed, have the person call Paul F. Stabile at 412-456-3055 for information.

## **Have You made a Bequest for your Parish in Your will?**

Instruct your attorney to make a provision in your will or living trust using this language: "I give, devise and bequeath \$ \_\_\_\_ [specify dollar amount] [or \_\_\_\_ percentage of my estate] [or \_\_\_\_% percentage of the remainder of my estate or property] to \_\_\_\_ Parish at [include legal address of your parish]."

**Please remember your parish as you plan your estate. Consult your attorney or tax advisor for more specific advice. For information on any current or deferred gift option, such as a trust, insurance policy, will, retirement fund, endowed fund, stock transfer, charitable gift annuity, or bequest intention document, please contact Paul Stabile, Director of Planned Giving, Office for Stewardship at 412-456-3055 or [pstabile@diopitt.org](mailto:pstabile@diopitt.org).**



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**More than a gift ... Your Catholic Legacy**



*"Now he who supplies seed to the sower and bread for food will also supply and increase your store of seed and will enlarge the harvest of your righteousness. You will be made rich in every way so that you can be generous on every occasion, and through us your generosity will result in thanksgiving to God."*

—1 Corinthians 9:10-11



Saint Nicholas Church  
Millvale