



Using Required Minimum Distributions and Qualified Charitable Distributions to Donate to
501(c)3 Nonprofits

This is intended as informational only. Please consult with your tax advisor with any questions!

If you are over 70 ½ you can give up to \$100,000 each year tax-free from your traditional IRA to charity, through a “qualified charitable distribution” (QCD). Charitable contributions made *directly from the account to a qualified charity* are not included in adjusted gross income.

QCDs are especially helpful if you don't itemize deductions. Keeping charitable contributions out of your AGI can also help you avoid the Medicare high-income surcharge (IRMAA) and may reduce the portion of your Social Security benefits that is subject to income taxes.

Taxpayers *age 73 and older* must take Required Minimum Distributions (RMDs) from qualified retirement accounts such as 401(k)s. An RMD is the smallest amount you must withdraw from your tax-deferred retirement accounts such as traditional IRAs and 401(k)s every year after a certain age. In 2024, you must start taking RMDs by April 1 of the year after you turn 73. QCDs qualify as part of an RMD.