



## IRA Rollover Extension Signed into Law

President Bush signed into law the Emergency Economic Stabilization Act of 2008, which is the economic recovery package that which also reinstated the **IRA Charitable Rollover** until the end of 2009.

The IRA Charitable Rollover, originally was passed in 2006 and expired on December 31, 2007, permits donors age 70 ½ or older who hold traditional or Roth IRA retirement savings accounts to make gift transfers from such an account to qualified nonprofit charities – without first counting it as income and paying income tax. The provision is retroactive for calendar year 2008 and extends through December 31, 2009.

Among the provisions of the IRA Charitable Rollover:

- Traditional and Roth IRAs are eligible.
- Only the IRA trustee can transfer gift amounts to a qualified organization. If the IRA owner withdraw funds and then contributes them to charity separately, amounts withdrawn will be included in the donor's gross income.
- The amount rolled over directly to the Community Foundation will **not** be included in the donor's income, but no charitable deductions are permitted.
- IRA gifts may be used to satisfy pledges to charities.
- IRA gifts may not exceed \$100,000 and must be made by December 31, 2009. Up to \$100,000 may be distributed for both 2008 and 2009.
- The "ceilings" on contribution deductions (50 percent of adjusted gross income for cash, 30 percent of AGI for capital gain assets), do not apply to IRA gifts.
- IRA gifts **cannot** be made to charitable remainder trusts, other life income gift arrangements, to donor advised funds or supporting organizations.

A sample letter to an IRA administrator follows.

If you have questions or are interested in learning more about this opportunity, please contact Ann Merriam Feinberg at 203-753-1315 or [amerriamfeinberg@conncf.org](mailto:amerriamfeinberg@conncf.org).

**Sample letter to IRA administrator/trustee/custodian**

“Financial Institution Name”

“Address”

“City, State, Zip”

Re: Request for Charitable Distribution from “Donor’s Name” Individual Retirement Account

To Whom It May Concern:

Please make a direct charitable distribution of \$ \_\_\_\_\_ from my IRA accounts.

The account numbers of my IRAs are:

\_\_\_\_\_  
\_\_\_\_\_

The check should be mailed to:

Connecticut Community Foundation

43 Field Street

Waterbury, CT 06702

Attn: Ann Merriam Feinberg

Please list my name and address as the donor for the transfer, and please send me a copy of the correspondence with Connecticut Community Foundation. Enclosed please find a copy of the Internal Revenue Service’s tax determination letter for Connecticut Community Foundation as a public charity, for your reference. It is my intention to have this transfer qualify for exclusion during the 20\_\_ tax year. Therefore, it is imperative this distribution be postmarked no later than December 31, 20\_\_.

Feel free to contact Ann Merriam Feinberg at 203-753-1315 if you need any additional information from the Foundation. If you have any questions for me, please contact me at “xxx-xxx-xxxx.”

Sincerely,

“Name of Donor”

“Donor’s Address”

“City, State Zip”