

## DEER VALLEY YMCA FAMILY CAMP QUALIFIED CHARITABLE DISTRIBUTIONS

Lakeview Lodge | CAPITAL CAMPAIGN

# AT THE HEART OF IT ALL

### Support Deer Valley AND Cut Your Tax Bill!

If you are 70 ½ or older and own an IRA, you have reached the age where you are required to withdraw money from your IRA each year. This is referred to as a "Required Minimum Distribution" or RMD.

The current tax law contains a provision called the Qualified Charitable Distribution, or QCD, that allows all or part of your RMD to be directed to a charitable organization such as Deer Valley, with significant tax advantage to you, the donor.

**The amount of your gift is excluded from your income, so it carries several potential tax advantages.**

- If the new, higher standard deduction (\$13,300 for singles, \$26,600 for married filing jointly) means that you no longer itemize your deductions, your gift via a QCD will still reduce your tax bill like an itemized deduction on top of the larger standard deduction.  
**Example:** Let's say you're in the 22% tax bracket. If you took \$5,000 of your RMD in cash and then gifted it to charity, your tax advantage would be 0. If, however, you made the same \$5,000 gift as a QCD to Deer Valley, it would reduce your reported income by \$5,000 and, therefore, reduce your tax bill by \$1,100 (22% of \$5,000).
- Additionally, the exclusion of the amount of the gift from your Adjusted Gross Income may keep you below the income thresholds that trigger the Affordable Care Act's 3.8% surtax on unearned income, as well as the higher monthly Medicare premiums that are "means-adjusted".

We recommend consulting with your financial planner on this particular strategy. Your IRA custodian can help you set up the mechanics of the gift.

**Thank you in advance for your generosity.**

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