

# 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 72 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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