

# Qualified Charitable Distribution (QCD)

## CHECKLIST:

- |   |                           |    |                        |
|---|---------------------------|----|------------------------|
| 1 | CONFIRM ELIGIBILITY       | 6  | DIRECT TRANSFER        |
| 2 | DISCUSS THE CONCEPT       | 7  | DONATION DOCUMENTATION |
| 3 | PROVIDE INFORMATION       | 8  | DONATION RECOGNITION   |
| 4 | CONSULTATION REMINDER     | 9  | FOLLOW UP              |
| 5 | CONTACT IRA ADMINISTRATOR | 10 | RECORD KEEPING         |

- Ensure the donor is at least seventy and a half years old, the minimum age required to make a QCD.
- Explain the benefits of a QCD, including the ability to fulfill Required Minimum Distributions without increasing taxable income. Ideally, your organization has a brochure on this giving technique to leave behind with the donor.
- Give the donor information about your organization, including the correct name and tax ID number for making the QCD.
- Remind the donor to consult with their financial or tax advisor to understand the tax implications and benefits of making a QCD. Furthermore if this is your donors first time considering a QCD it's helpful to involve your organizations planned giving specialist.
- The donor should reach out to their IRA administrator to initiate the QCD. Some administrators may have a form to fill out, while others may require a letter of instruction from the donor.
- IStress the importance of the funds being transferred directly from the IRA to your organization. The donor should not withdraw the funds themselves, as this could result in a taxable event.

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- 7  Ensure the donor obtains a letter of acknowledgment from your organization to confirm the donation. This letter serves as proof of the QCD for tax purposes.
- 8  Recognize and thank the donor for their contribution. Also, discuss any recognition opportunities, if applicable.
- 9  Maintain communication with the donor to keep them engaged and informed about the impact of their gift. Also, remind them of the possibility of making a QCD annually as part of their RMD.
- 10  Document the QCD in your donor database to facilitate future planning and stewardship efforts.