

# The Charitable IRA Rollover

If you are 70½ or older, you can make a tax-free gift **directly** to Sri Aurobindo Sadhana Peetham (SASP) from your Individual Retirement Account (IRA). The tax legislation permanently establishing this way to give more formally calls it “A Qualified Charitable Deduction” (QCD).

## Here’s how it works:

- **Who?** You must be 70½ or older to make an IRA rollover gift to SASP.
- **What?** You can give up to \$100,000 from your Traditional or Roth IRA. SASP is happy to accept gifts of any amount.
- **How?** Instruct your plan administrator to send a specific dollar amount **directly** to SASP. (You cannot withdraw the funds yourself.) Your IRA administrator can send the gift by check or electronic transfer. You can contact SASP (see below) for a sample letter of instruction. Please

let us know if you plan to do this so we can ensure your gift is processed in an accurate and timely manner.

- **When?** Anytime! But your gift must be completed **by December 31** in order to receive the maximum benefits for the current tax year.

### **Benefits to You:**

- **RMD.** Your donation will count towards your required minimum distribution for the current year.
- **Tax Savings.** You can **exclude up to \$100,000** of this gift from your federal gross income — resulting in lower taxable income and possible tax savings (\$200K exclusion may apply for taxpayers who are married and filing a joint return).

*Tip:* This tax savings is especially valuable to donors who are non-itemizers and donors who have reached their limit on itemized charitable deductions.

- **Impact.** You will have the personal satisfaction of benefiting our Sri Aurobindo community, maybe more than you may have originally thought possible.

Please consult with your financial advisor about this special opportunity.

*For more information, please contact SASP at:*  
1-800-735-4691, Ext. 4

## **Estate Gifts From IRAs Also a Great Idea**

While Charitable IRA Rollover Gifts allow donors to further their philanthropic goals and reduce taxable income, designating charitable organizations as beneficiary of IRA, 401(k), pension or other retirement plans also has its benefits. For many years, advisors have been telling clients that IRAs are the very best asset to leave to worthwhile organizations in their estate plans. Income taxes and — for large estates — estate taxes and generation-skipping transfer taxes can markedly reduce the retirement savings accounts of many people at death, leaving a much reduced amount for heirs.

A more satisfying option might be to designate a charity as a beneficiary of all or part of your retirement account and preserve the gifted funds free from estate and income tax, while leaving other, more favorably taxed assets for heirs or other individuals. To make SASP a beneficiary of all or part of your retirement plan, simply ask the trustee or custodian of your

account for a beneficiary designation form and list Sri Aurobindo Sadhana Peetham. SASP is a 501(c)(3) nonprofit tax exempt organization and contributions to the organization are deductible as charitable contributions. SASP's taxpayer ID number is: 95-4425564