



Consider these tax-advantaged giving strategies to the Fort Wayne Museum of Art!

A. Give through your IRA with a Qualified Charitable Distribution

A QCD (Qualified Charitable Distribution) is a direct transfer of funds from your IRA custodian, payable to a qualified charity. QCDs can be counted toward satisfying your required minimum distributions (RMDs) for the year, as long as certain rules are met. In addition to the benefits of giving to charity, a QCD excludes the amount donated from taxable income, which is unlike regular withdrawals from an IRA. Keeping your taxable income lower may reduce the impact to certain tax credits and deductions, including Social Security and Medicare.

Can I make a QCD?

While many IRAs are eligible for QCDs: Traditional, Rollover, Inherited, SEP (inactive plans only), and SIMPLE (inactive plans only)-there are requirements:

- For those born 1951 through 1959, RMDs do not need to be made until the year that you turn 73. For those born in 1960 and after, RMDs have been pushed back until the year that you turn 75.
- QCDs are limited to the amount that would otherwise be taxed as ordinary income (your required minimum distribution). This excludes non-deductible contributions.
- The maximum annual amount that can qualify for a QCD is \$100,000. This applies to the sum of QCDs made to one or more charities in a calendar year. (If you file taxes jointly, your spouse can also make a QCD from his or her own IRA within the same tax year for up to \$100,000.)
- For a QCD to count towards your current year's RMD, the funds must come out of your IRA by your RMD deadline, generally December 31, and be distributed to charity.

What kinds of charities qualify?

The charity must be a 501(c)(3) organization, eligible to receive tax-deductible contributions.

The Fort Wayne Museum of Art is a Qualified Charity.

Tax reporting a QCD

A QCD is reported as a normal distribution on IRS Form 1099-R for any non-Inherited IRAs. For Inherited IRAs or Inherited Roth IRAs, the QCD will be reported as a death distribution.

Itemization is not required to make a QCD.

While the QCD amount is not taxed, you may not then claim the distribution as a charitable tax deduction.

A QCD is not subject to withholding. State tax rules may vary, so for guidance, consult a tax advisor.

When making a QCD, you must receive the same type of acknowledgment of the donation that you would need to claim a deduction for a charitable contribution.

A tax advisor can help you determine if both your IRA and charity qualify for QCDs.

B. Directly transfer appreciated stock and avoid capital gains tax

In your investment portfolio, you may have appreciated stock. By gifting those shares to the Fort Wayne Museum of Art, your gains are put to good use. Your gift of stock is reinvested in your community, and it qualifies for an immediate tax deduction based on the full fair market value.

By giving stock, you can avoid capital gains taxes that would be due as a result of its sale and have an immediate impact on our mission. With gifts of appreciated stock, your stock market earnings translate into community impact, so you get a more rewarding return on your portfolio.

How it works:

You make a gift of appreciated stock to:

Fort Wayne Museum of Art Inc., EIN 35-0953440

Your gift qualifies for a tax deduction based on the full market value of your stock; you avoid the capital gains tax that would otherwise arise from the sale of this stock. We handle all the administrative details.

After consulting with your financial advisor and tax professional, call us at (260) 422-6467 to discuss these giving strategies!