



# The University of Vermont FOUNDATION

## **IRA Charitable Rollover FAQs**

### **Gift parameters**

- ◇ If you are 70 ½ or older and own an IRA, you can give up to \$100,000 per calendar year.
- ◇ Your gift must be complete on or before December 31 of the calendar year in which you choose to utilize the IRA Charitable Rollover gift vehicle for tax purposes. Generally, if sent by US mail, the postmark determines the date of gift; if sent via cash wire, date of gift is determined by the date the funds reach the University of Vermont Foundation's account.
- ◇ Your gift must be made to a qualified public charity, such as the University of Vermont Foundation.
- ◇ Distributions must be made directly from your IRA to the University of Vermont Foundation. Do not withdraw the funds yourself and pass them on to the University of Vermont Foundation or your gift will not qualify for the IRA Charitable Rollover and will be included in your taxable income.
- ◇ You can only make outright gifts. The IRA Charitable Rollover cannot be used to fund life income gifts (such as charitable gift annuities or charitable remainder trusts).

### **What are the advantages of making an IRA Charitable Rollover Gift?**

- ◇ You can count your gift towards your annual required minimum distribution.
- ◇ Your distribution is not recognized as income on your federal income tax return. Note: you cannot take a federal income tax charitable deduction for your gift.
- ◇ Under current federal tax laws, keeping your IRA distribution out of your adjusted gross income may save you taxes.
- ◇ The transfer process is quick and requires minimal paperwork.

### **Cautions**

- ◇ *Employer-sponsored retirement plans, such as SEP IRAs, SIMPLE IRAs, 401(k)s, and 403(b)s are generally not eligible for the IRA Charitable Rollover.*
- ◇ *Using a Roth IRA eliminates many of the tax advantages of the charitable distribution – if you don't have a traditional IRA, it may be better to withdraw funds directly from your Roth account, make a gift and take a charitable deduction. Consult your financial or tax advisor for advice.*
- ◇ *Some states may determine that IRA Charitable Rollover gifts are includable as income for state and local tax purposes.*



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**FOUNDATION**

## **How to Make Your IRA Charitable Rollover Gift**

### **By CHECK:**

Instruct your IRA administrator to mail a check (payable to the University of Vermont Foundation) directly to:

**The University of Vermont Foundation**  
**Attention: Office of the Controller**  
**411 Main Street**  
**Burlington, VT 05401**

Please make sure that your administrator encloses a letter along with your check stating: your name; the purpose of your gift (e.g. UVM Fund); and notes that it is a qualified charitable distribution from your IRA. This information can also be stated in the memo line of your check.

**The University of Vermont Foundation's Tax-Exempt ID number is 45-1556038.**

### **By CASH WIRE:**

If your IRA administrator prefers to make a cash wire transfer from your retirement account to the University of Vermont Foundation, please notify Director of Gift Administration, Diane Buechler, at (802) 656-4666 or [gift.records@uvm.edu](mailto:gift.records@uvm.edu). Further instructions are as follows:

**TD Bank**  
**111 Main Street**  
**Burlington, VT 05402**  
**ABA #: 011600033**  
**Account #: 5242028141**

**For credit: University of Vermont and State Agricultural College Foundation, Inc.**  
**Reference: Your last name, IRA, and gift designation**

**The University of Vermont Foundation**  
**Office of the Controller**  
**411 Main Street**  
**Burlington, VT 05401**

*The University of Vermont Foundation does not provide legal or tax advice.  
Please consult your own legal and tax advisors in connection with gift and planning matters.*