

Gifts through Individual Retirement Accounts (IRA)

An IRA “Qualified Charitable Distribution” (QCD) may provide an excellent way for your donors age 70 1/2 to give to the CSA and have the distribution excluded from their taxable income. A few years ago, the tax law changed, raising the required minimum distribution (RMD) age from 70 1/2 to 72. Therefore, depending on the donor’s age, the IRA distribution to the CSA in 2022 may be tax-free, and may also qualify as an RMD in whole or in part for the year.

The distribution must be from the donor’s IRA, not a 401(k) or other retirement plan. To take advantage of an IRA QCD to the CSA, your donors should contact their IRA custodian or administrator before requesting the distribution in order to arrange for the proper transfer of funds directly to the Archdiocese from their IRA.

Your donors should also consult with a tax advisor about planning opportunities and the correct tax reporting of the special election described above.

Sample IRA rollover instruction letter:

Dear Plan Administrator:

Please accept this letter as my request to make a direct qualified charitable distribution in the amount of \$[AMOUNT] from my Individual Retirement Account [ACCOUNT NUMBER].

This distribution should be made payable to Archdiocese of Detroit – CSA, and sent to:

Archdiocese of Detroit – CSA Donor Services
12 State Street
Detroit, MI 48226
Tax ID#38-1359274

Funds may be wire-transferred as follows:

Investment firm: Morgan Stanley Smith Barney Telephone: (248) 723-1824
Name of account: Archdiocese of Detroit Account number: 272108385
Transfer ID (DTC #): 0015

In your transmittal to the Archdiocese of Detroit, in order that my gift is properly credited to my parish CSA campaign, please include my information in connection with this transfer:

[NAME]
[ADDRESS]
[PARISH NAME], [CITY]

Please copy me on your transmittal. If you have any questions or need to contact me, I can be reached at [TELEPHONE NUMBER] or [EMAIL].

(Optional paragraph for requests occurring close to year-end, after December 1)

My intention is to have this transfer qualify for inclusion during the 2022 tax year. Therefore, it is imperative this distribution be transferred into the Archdiocese’s account no later than December 31, 2022. Thank you for your assistance with this matter.

Sincerely,

[PLAN OWNER]