**The IRA Qualified Charitable Distribution 2020: Frequently Asked Questions**

***Q: What is the Qualified Charitable Distribution?***A: The qualified charitable distribution (QCD), otherwise known as the Charitable IRA rollover, is a special provision allowing individuals age 70 ½ and older to avoid paying income tax on distributions from Individual Retirement Accounts (IRA) that are made directly to nonprofits. including Just in Time for Foster Youth.

***Q. Saving taxes on distributions from my IRA sounds amazing! How do I know if I qualify?***A. Starting at age 70 ½, anyone who has an IRA may make a gift from of any amount up to $100,000 from their account without paying any income tax on the distribution.

***Q: I thought this only applied when I took my required minimum distribution (RMD), which doesn’t apply in 2020?***A. In years when an RMD is required, gifts from IRAs can also count toward your minimum distribution. But the tax benefits are valid in 2020 for any distribution.

***Q. If I make a gift from my IRA, can my spouse also make gifts?***A. Couples with separately held IRAs may each contribute up to $100,000 for a total of up to $200,000. Of course, any amount will make a wonderful impact!

***Q. May I make gifts to more than one nonprofit?***A. Yes! As long as the total does not exceed $100,000 you may divide that amongst as many organizations as you would like to support.

***Q. How do I make the distribution?***A. In order to avoid paying income tax on these distributions, your gifts must come directly from your IRA to Just in Time. Check with your IRA plan provider or your financial advisor to find out how to request a charitable distribution – in most cases it will be as simple as filling out a form online or making a phone call.

***Q. Do I have to pay state or local income tax on my distribution?***A. If you are a California resident, your gifts are exempt from both Federal and State income tax. Other states may vary – please check with your tax advisor.

***Q. I no longer itemize my taxes. May I still take advantage of this opportunity?***A. Yes – because the distribution will be reported as non-taxable income, it has no impact on whether or not you will itemize your tax return. In fact, this is an incredibly effective and easy way for non-itemizers to receive a charitable deduction regardless of their income or reporting status.

***Q: I still have more questions about how this works. What should I do?***A. Check with your tax or financial advisor for assistance – they will be able to offer you answers that are specific to your situation.

**For more information about other ways to support Just in Time, please contact
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