



Fundamentals to Remember:

Donors must be age 70½ or older.

An IRA rollover gift is a direct transfer from the donor's IRA to St. Vincent Healthcare Foundation account.

IRA rollover gift qualifies for all or part of donor's required IRA minimum distribution.

IRA gift distribution is not included in donor's Federal taxable income.

IRA charitable rollover gift does not qualify for a charitable deduction because it is not included in income.

IRA custodians are requesting your IRA gift be made no later than December 15 to allow time to process the transaction before year end.

A Simple Gift

Mary is a regular donor, age 71. She gives \$2,000 each year and usually writes a check because it is simple, easy and convenient.

This year, Mary decides to give her gift from her IRA. She says, *"I love the simplicity of the IRA charitable rollover. My \$2,000 gift helps the program I love, and I don't have to worry about my income tax forms."*

A Major Gift

John is a very generous donor that has been asked to provide a major gift to help support the Ronald McDonald Care Mobile. He wants to give \$20,000.

John has a large IRA but lives moderately in proportion to his income. An IRA charitable rollover gift of \$20,000 is not included in John's income. He says, *"I am very pleased with my IRA gift. Because it was not in my income, I am able to deduct my regular gift and still help with an added gift of \$20,000!"*

Social Security Benefit Gift

Sam is retired with his estate holdings invested in CDs, his home, and IRA. Each year, Sam is required to take a minimum distribution from his IRA which increases his income. Social Security is subject to two levels of taxation. For donors who have income in excess of the first level, 50% of Social Security is taxed. For donors with income in excess of the second level, up to 85% of Social Security may be subject to tax. By making an IRA rollover gift and transferring directly to charity, many Social Security recipients will save substantial taxes.

Sam said, *"This IRA rollover is excellent. I helped those in need and also lowered taxes on my Social Security payments!"*

A Transformative Gift

Claire is devoted to St. Vincent Healthcare, has volunteered for over 20 years, and her three children were each born at St. Vincent's.

Claire's IRA is the vast majority of her estate. She needs to do some "asset balancing" or there may be major future income tax problems.

With the IRA charitable rollover she sees an opportunity to make an ultimate gift as well as balance her estate assets. She is allowed to gift a maximum of \$100,000 this year from her IRA to the St. Vincent Healthcare Foundation. This funding does not become part of Claire's taxable income. Claire says, *"I don't understand all of that tax talk, but it does make sense that with \$100,000 less in taxable income, my return will be easier to complete. This sounds like a great idea!"*

Gift scenarios adapted from information provide by Crescendo Interactive, Inc.

How to Give an IRA Rollover Gift

1. Contact your IRA Custodian.
2. Sign your custodian's application to make a gift to: St. Vincent Healthcare Foundation, Inc., Billings, Montana.
3. The IRA custodian will transfer funds from your IRA to St. Vincent Healthcare Foundation's account.

For more information please contact:

St. Vincent Healthcare Foundation
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