

DONATING DIRECTLY FROM YOUR INDIVIDUAL RETIREMENT ACCOUNT (IRA)

Many retirees no longer itemize deductions on their tax returns and are using the standard deduction. When using the standard deduction, Qualified Charitable Distributions (QCDs) may reduce your tax liability as well as offer an opportunity to support your favorite causes.

A Qualified Charitable Distribution allows individuals aged 70½ or older to donate directly from an eligible IRA to qualified charities without recognizing the distribution as taxable income. Once age 73 is reached, QCDs may also fulfill part or all of Required Minimum Distributions (RMDs). Arranging the timing of Qualified Charitable Distributions is important to ensure they can offset your Required Minimum Distributions.

There is no restriction on the number of charities that can be supported with QCDs provided they qualify under IRS guidelines. However, donations must go **directly** from your IRA to the charity to be considered a QCD. The QCD limit is subject to annual inflation adjustments. For 2026, QCDs are capped at \$111,000 per IRA owner.

Holly Springs Food Cupboard is not offering tax advice. Please consult your tax professional concerning your specific tax situation before modifying your retirement income strategy.

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