

FAQs About Giving Your RMD (Required Minimum Distribution) to Charity

Retirees can give up to \$100,000 to charity tax-free from an IRA and have it count as their required minimum distribution for the year. Here's what you need to know.



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I get a lot of questions from people over age 70½ about giving their required minimum distribution to charity. The following answers to frequently asked questions will help you make plans to donate your RMD before the year-end deadline.

SEE ALSO: [6 Tax-Smart Ways to Lower Your RMDs in Retirement](#)

Can I give my RMD to charity now, or do I have to wait until December like in the past?

You can give your RMD to charity anytime during the year. In the past, Congress generally waited until December to approve the law each year, leaving IRA holders scrambling to transfer the money to charity before the December 31 RMD deadline. But Congress passed a law last December that permanently extends the Qualified Charitable Distribution provision, so you can now transfer the money to charity anytime during the year.

How much can I transfer from my IRA to charity? Can I transfer more than my RMD?

Yes, if you are 70½ or older, you can transfer up to \$100,000 to charity tax-free each year -- even if that's more than your RMD. The money counts as your required minimum distribution but isn't included in your adjusted gross income.

I'll be 70½ in a few months. Can I give my RMD to charity now?

Even though you can take your RMD anytime during the year you turn age 70½ (or until April 1 of the year after you turn 70½), you have to wait until you actually turn age 70½ to make the tax-free transfer to charity. See [Taking Your First Required Minimum Distribution](#) for more information.

Can I give my 401(k) RMD to charity?

No. You can only make the tax-free transfer from an IRA, not from a 401(k).

Can I withdraw the money from my IRA and then write a check to charity, or do I need to transfer the money directly?

The tax-free transfer won't count if you withdraw the money from the IRA first and then make a contribution to the charity. You can take a charitable deduction for your contribution in that case, but the IRA withdrawal will be included in your adjusted gross income.

You need to transfer the money directly from the IRA to the charity for it to count as the tax-free transfer. Ask your IRA administrator and the charity about making a direct transfer,



or you can have the IRA administrator send a check from your account to the charity. If you have check-writing privileges for your IRA, you can write a check to the charity. See [Donate Your RMD Tax-Free to Charity in 2016](#) for more information about the procedures. Give the charity a heads-up, so it knows the contribution came from you and can send you an acknowledgement.

So which is better: the tax-free transfer or the charitable deduction?

If you make a tax-free transfer from your IRA to charity, you can't also deduct that money as a charitable contribution. But the tax-free transfer could give you extra benefits. You don't need to itemize your deductions to get a tax benefit from the gift (and many people who no longer have a mortgage don't itemize their deductions). Making the tax-free transfer also keeps the money out of your adjusted gross income. That could help you avoid the [Medicare high-income surcharge](#), which boosts your Part B and Part D premiums if your AGI is more than \$85,000 if single or \$170,000 if married filing jointly. Keeping the money out of your AGI could also [make less of your Social Security benefits taxable](#).

For more information about required minimum distributions, see our [RMD Special Report](#). Also see [6 Steps to Cutting Your Taxes When You Start Taking RMDs](#).

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