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With Valentine's Day approaching those of you over 70.5 may want to consider a Qualified Charitable Distribution from your IRA as another way to spread the love.

Most past the age of 70.5 with a retirement account deal with Required Minimum Distributions (RMDs) from their retirement accounts.

Many wait to handle their RMD until late in the year but if you intend to give money to qualified charities this year you should consider doing so through a Qualified Charitable Distribution (QCD).

The IRS considers the first money to come out of a retirement account in the year to count towards the RMD. So, instead of writing checks to charities right now maybe you should use a QCD.

The QCD amount does not count towards your income but it does count towards your required minimum distribution. Meanwhile, you can use the standard deduction which almost doubled with the recent tax law change.

For 2020, the standard deduction for those over 65 is \$13,700 if filing single and \$27,400 if filing jointly. Approximately 90% find that their itemized deductions, which include qualified charitable gifts, do not exceed the standard deduction.

Further, since QCDs do not count towards your income you are less likely to trigger higher premium on your Medicare insurance or greater taxes on your social security retirement benefit.

When taking a QCD make sure the payment is made payable to the qualified charity. However, it is ok for you to receive the check if you wish to hand it to them personally.

If your retirement account is e.g. a 401(k) or 403(b) you cannot take advantage of the QCD rule. For some reason QCDs can only be made from IRAs.

One last thing: make sure you get a confirmation from the charity for the QCD donation. The IRA custodian will most likely not distinguish between a QCD and a normal distribution when you receive your 1099-R so the only way for you to prove the money went to the charity is by matching your records with the confirmation from the charity.

Do not let all the rules discourage you from using the QCD feature. Your IRA custodian can guide you through the logistics.

As for taxes, I believe few, if any, will hurt themselves tax wise by donating money to a favorite charity through a QCD. To be on the safe side I suggest you confer with your tax advisor.

Good luck.

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