

**Christ Community Church**  
The Benefits, Reporting & Process  
of Making a Qualified Charitable Distribution (QCD)  
from Your IRA

## **THE BENEFITS**

Generally, you must begin taking required minimum distributions (RMDs) when you reach age 70 1/2 if you have retirement accounts (IRA, 401k, 403b, etc.), even if you don't want or need the required distribution. These distributions are taxable at ordinary income rates at whatever tax bracket you are in during that particular year. Qualified Charitable Distributions (QCDs) from IRA accounts, count toward your RMD for the year.

### **The potential benefits of making a QCD from your IRA include:**

- investing in our shared mission "To make passionate disciples of Jesus Christ who are: belonging, growing, serving and reaching" in wise stewardship of the resources God has entrusted to your care while also...
- avoiding completely or reducing significantly taxes from your RMD. The amount that can be taken as a QCD is capped at \$100,000 per taxpayer per year.
- One of the biggest advantages the QCD rule provides is the ability for taxpayers to lower their Adjusted Gross Income (AGI). This is much more valuable than taking an itemized deduction, which merely lowers taxable income. Because AGI is used for many tax calculations, having a lower number can allow the donor to stay in a lower tax bracket, reduce or eliminate the taxation of Social Security or other income, and remain eligible for deductions and credits that might be lost if the taxpayer had to declare the RMD amount as income.

Talk with your tax advisor for the impact on your specific situation.

## **THE REPORTING**

The custodian of the IRA account is required to issue the owner of the IRA account a Form 1099-R. The distribution to the charity will be reflected in Box 1 as a "Gross distribution" but it will not be included in Box 2a as a "Taxable amount." Christ Community Church will send you a letter of acknowledgment stating that we received an IRA distribution, including the amount, from the donor's IRA custodian.

**NOTE:** Your gift will not be reported on your donor's contribution statement for tax deduction purposes because this donation was never taxed. Again, your QCD will not be included in Box 2a as a "Taxable amount" on your Form 1099-R making it much more valuable than taking an itemized deduction.

## **THE PROCESS**

1. Read these instructions.
2. Fill out the appropriate forms on the following pages.
3. Send a copy of the appropriate form to your IRA custodian to authorize the transfer.
4. Send an electronic copy/scan to Christ Community Church - ATTN. Finance Team to [accounting@ccclife.org](mailto:accounting@ccclife.org) letting us know you have authorized this transfer.

**IRA GIFT INSTRUCTIONS FOR DIRECT QCD GIFT TO A QUALIFIED CHARITY**

**Christ Community Church**

Tax ID Number: 36-3346903

**DATE:** \_\_\_\_\_

**TO: IRA CUSTODIAN:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_  
(Street) (City) (ST) (Zip)

Please accept this letter as my request to make a Qualified Charitable Distribution (QCD) from my Individual Retirement Account (IRA) # \_\_\_\_\_

Federal law permits the holder of an IRA or Roth IRA who is 70 1/2 or older to make a QCD directly from their IRA to a qualified charity such as the Christ Community Church.

It is my intention that the specific gift identified below to be treated as a QCD and that the same be used to satisfy, in whole or in part, my Required Minimum Distribution (RMD) in the year of transfer. Thank you for your assistance with this matter.

☐ **Please issue a check in the amount of \$ \_\_\_\_\_ payable to Christ Community Church.**

☐ **Please transfer the following securities to Christ Community Church:** \_\_\_\_\_

**INSTRUCTIONS FOR CASH TRANSFERS**

Issue check payable to:

Christ Community Church

ATTN: Finance Team, 820 Randall Rd, South Elgin, IL 60177 - [accounting@ccclife.org](mailto:accounting@ccclife.org)

**INSTRUCTIONS FOR DTC TRANSFERS IF TRANSFERRING SECURITIES**

Christ Community Church of St. Charles

Account Number: 2309-6395

Held at: Charles Schwab

DTC#: 0164

Tax ID: 36-3346903

**My Donor Name:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Printed Name:** \_\_\_\_\_

**Telephone:** (\_\_\_\_\_) \_\_\_\_\_

**Email:** \_\_\_\_\_

**Address:** \_\_\_\_\_  
(Street) (City) (ST) (Zip)

**DONOR'S FINAL STEPS: TO ENSURE A SUCCESSFUL FUNDS TRANSFER, PLEASE:**

1. Scan or take a photo of this form and email it to [finance@thecompass.net](mailto:finance@thecompass.net)
2. Provide this original form to your IRA Custodian.

**IMPORTANT NOTE TO DONORS:**

It usually takes 3-5 business days for your transfer to be settled and posted.

Notification to Christ Community Church to expect a QCD Gift from IRA

**Christ Community Church**  
**ATTN: Finance Team**  
**820 Randall Rd**  
**South Elgin, IL 60177**  
[accounting@ccclife.org](mailto:accounting@ccclife.org)

Dear Christ Community Church - Finance Team:

I am pleased to inform you that I have directed the custodian of my Individual Retirement Account ("IRA") to make a Qualified Charitable Distribution (QCD) from my IRA to Christ Community Church of St. Charles, IL. The information concerning my IRA and my gift are described below.

**IRA Plan Custodian Name:** \_\_\_\_\_

**Distribution Amount by check: \$** \_\_\_\_\_

**If stock, please watch for the following securities to Christ Community Church transferred by DTC (please specify # shares, company, and approx. value):**

(Shares)	(Company)	(Approximate Value)
----------	-----------	---------------------

Please use my gift to strengthen the ministries of Christ Community Church.

It is my intention that: (1) this gift from my IRA comply with the QCD requirements of Section 408(d) (8) of the Internal Revenue Code; (2) that this gift will be used to satisfy all or part of my annual Required Minimum Distribution (RMD); and (3) that I will not be able to claim a charitable income tax deduction for my IRA gift.

When you receive the distribution from the custodian of my IRA, please send me a contemporaneous written acknowledgment that includes the following: (1) information about the amount/value of my gift; (2) a statement confirming that no goods or services were transferred to me in consideration for this gift; and (3) that indicates that my gift will not be placed in a donor-advised fund, supporting organization or charitable gift annuity.

If you have any questions concerning my gift or this letter, please let me know.

Sincerely,

**Donor's Printed Name:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Phone:** (\_\_\_\_\_) \_\_\_\_\_

**Email:** \_\_\_\_\_

_____ (Address)	_____ (City)	_____ (ST)	_____ (ZIP)
--------------------	-----------------	---------------	----------------