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

Qualified Charitable Distributions (QCDs) are a tax-efficient way to give to charities, often more advantageous than donating cash from ordinary income. You may begin making **Qualified Charitable Distributions (QCDs)** from an IRA once you reach **age 70½**. If you are already subject to RMDs, QCDs count toward your RMD for the year while also excluding the donated amount from your taxable income.

Generally, you must begin taking **Required Minimum Distributions (RMDs)** when you reach **age 73** if you have retirement accounts (IRA, 401(k), 403(b), 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.

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 significantly reducing taxes from your RMD. The amount that can be taken as a QCD is capped at $111,000 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 about 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. After reading these instructions, fill out the appropriate form on the following page.
2. Send a copy of the appropriate form to your IRA custodian to authorize the transfer.
3. Send an electronic copy/scan to Christ Community Church - ATTN. Finance Team to finance@ccclife.org, letting us know you have authorized this transfer.

IMPORTANT NOTE TO DONORS:

It usually takes 5-7 business days for your transfer to be settled and posted.

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) (State) (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 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.

CONTRIBUTION TO BE APPLIED TO:
___ Aurora Campus ___ DeKalb Campus ___Huntley Campus ___Joliet Campus
___ Streamwood Campus ___St. Charles/South Elgin Campus

CONTRIBUTIONS TO BE APPLIED TO:
___ Ministry Fund $ _____
___ Places Need Churches Campaign $ _____

INSTRUCTIONS FOR CASH TRANSFERS

Issue check payable to: Christ Community Church
ATTN: Finance Team, 820 Randall Rd, South Elgin, IL 60177 - finance@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

Donor Name: _____
Signature: _____
Printed Name: _____
Telephone: (_____) _____
Email: _____
Address: _____
(Street) (City) (State) (Zip)