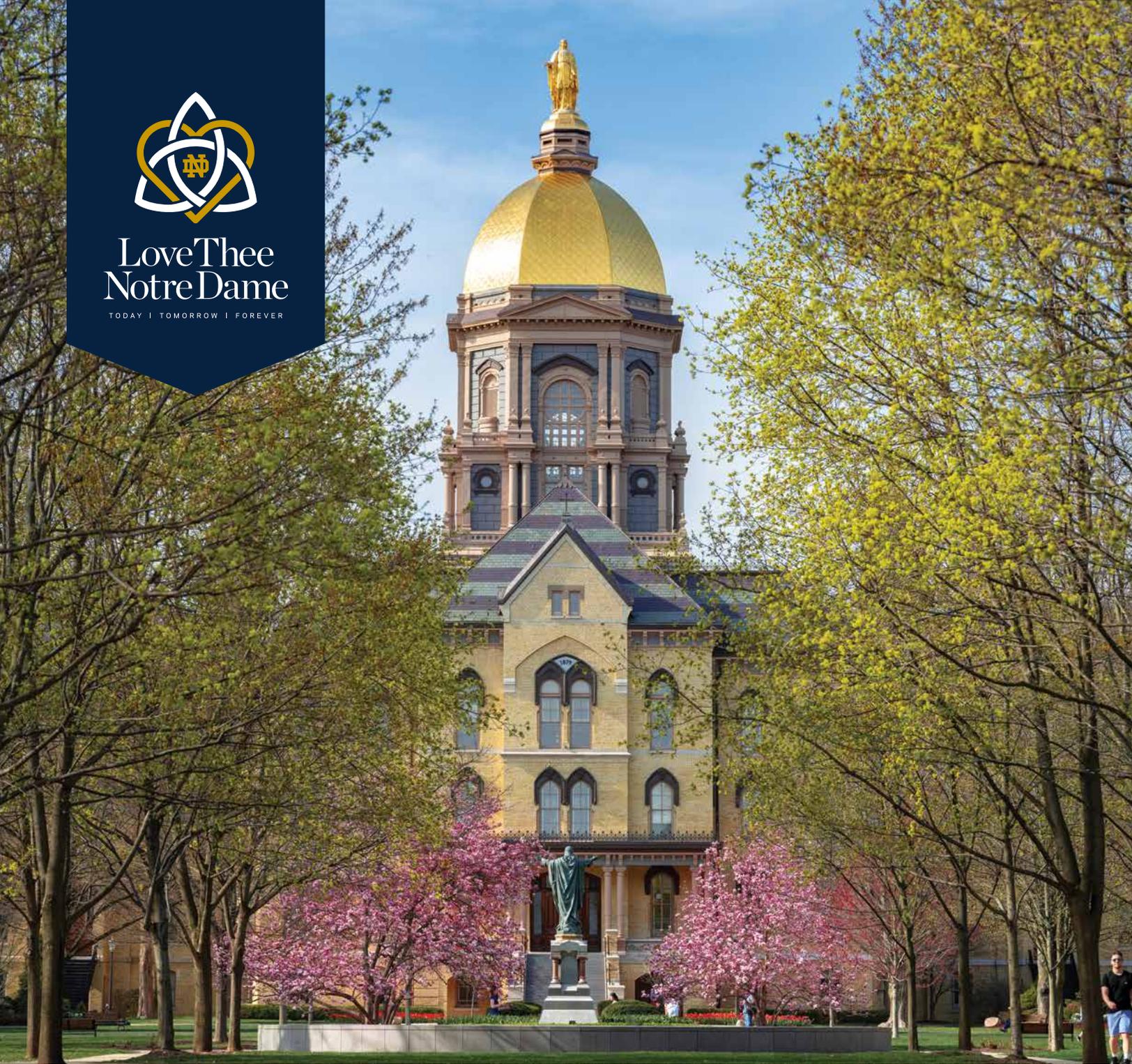




Love Thee
Notre Dame

TODAY | TOMORROW | FOREVER



IRA Charitable Rollover

REDUCE YOUR TAXES WHILE INCREASING YOUR IMPACT



UNIVERSITY OF
NOTRE DAME

574.631.7164 pgiving@nd.edu plannedgiving.nd.edu

HOW TO MAKE AN IRA CHARITABLE ROLLOVER GIFT

If you are 70 ½ years of age or older and have a traditional IRA, you can make an immediate impact at Notre Dame through an IRA Charitable Rollover gift.

While the SECURE Act, which was passed in December of 2019, allowed retirement account owners to defer required withdrawals from their qualified Individual Retirement Account (IRA) to age 72, benefactors can still begin making IRA Charitable Rollovers (also called qualified charitable distributions or QCDs) at age 70 ½.

An IRA Charitable Rollover allows you to make a gift directly from your IRA to Notre Dame, satisfy part of all of your annual required minimum distribution (RMD) from your IRA, and exclude part of all of that distribution from your Federal taxable gross income, thereby reducing your tax liability.

Your IRA Charitable Rollover gift may be unrestricted and used to join or continue membership in one of our giving societies, or you can direct your gift to another area of interest at Notre Dame.

For your gift to qualify:

- You must be 70 ½ years of age or older at the time of your gift.
- The transfer must be made from your IRA directly to Notre Dame.
- Your total annual IRA Charitable Rollover gift(s) cannot exceed \$100,000 in the calendar year of the gift.
- Your IRA Charitable Rollover gift must be made to Notre Dame by December 31 in the year you decide to make the gift.
- Your gift must be outright. Gifts from your IRA to donor-advised funds or life-income vehicles such as charitable gift annuities (CGAs) or charitable remainder trusts (CRTs) do not qualify as IRA Charitable Rollover gifts.

An IRA Charitable Rollover gift is an easy and convenient way to make a tax-free gift from one of your major financial assets.

To make an IRA Charitable Rollover gift for the current calendar year, contact your IRA custodian and ask the custodian to make a distribution from your IRA account to Notre Dame prior to December 31. Be sure to have the custodian include both your name and address in the transfer to ensure we can accurately credit your gift and allocate it according to your wishes.



"Each year since turning 70 ½, we have taken advantage of the opportunity the IRA Charitable Rollover provision provides us to both reduce our taxable income and support our philanthropic causes. With the provision signed into law permanently in 2015, we can now plan our charitable giving for the year.

For Notre Dame, we use our IRA distribution to make our annual gift to the Sorin Society and have also endowed a research fellowship through the Graduate Studies and Research Council. Funding these gifts through our IRA allowed us to maximize our gift and minimize our income tax liability."

JOHN '64 AND JUDY SCULLY

REPEAL OF MAXIMUM AGE THRESHOLD FOR TRADITIONAL IRA CONTRIBUTIONS

Beginning in 2020, this threshold was lifted and individuals with earned income can continue to contribute to traditional IRA plans past age 70 ½.

PLANNING OPPORTUNITY

To determine whether or not you are eligible and may benefit from an additional plan contribution, we recommend that you work with your financial and tax advisors.

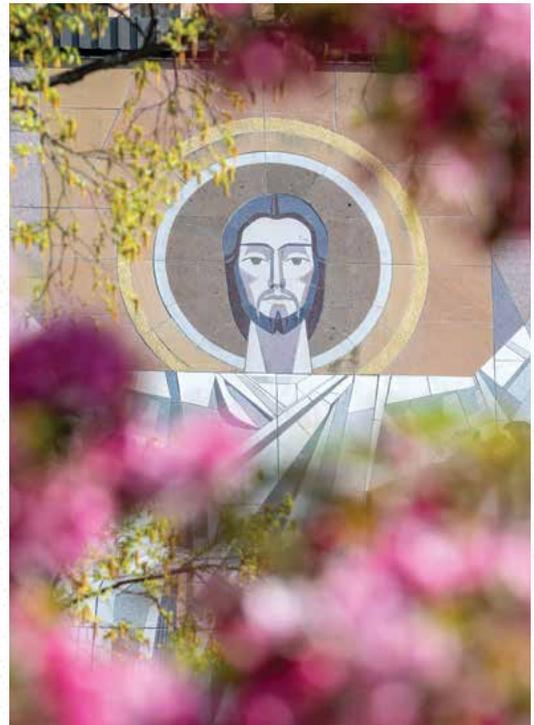
RMD DISTRIBUTION RULES FOR BENEFICIARIES OF IRAS

Previously, upon the death of the account owner, the beneficiary or beneficiaries who inherited the account were permitted to “stretch” the distributions and related taxes due on those distributions over the life expectancy of that beneficiary. Beginning in 2020, beneficiaries (other than a surviving spouse and other limited exceptions) must withdraw all assets from inherited IRA or 401(k) plans (Roth and traditional) within 10 years following the death of the account holder. Although RMDs are not required to be taken each year during this time, the entire account must be distributed no later than the end of the 10-year period.

PLANNING OPPORTUNITIES

If you have a retirement account that you had previously planned to leave to beneficiaries with the expectation that they could “stretch” the distributions over their life, you may consider working with your advisors to reevaluate your strategies. This is especially critical for individuals who named certain types of trusts as the beneficiary of a retirement account as additional consideration should be given to the plan to ensure that retirement benefits payable to the trust are handled as intended.

Fortunately, there are planning vehicles available that can preserve the retirement account “stretch” opportunity. These include a testamentary charitable remainder trust (CRT) or testamentary charitable gift annuity (CGA), both of which may be established at Notre Dame and could provide lifetime income streams to beneficiaries.



Phil '72 & Susan Calandra (SMC '72) were considering a new testamentary CRT to Notre Dame and saw an opportunity with the elimination of the “stretch” IRA under the SECURE Act to fund the CRT with their qualified retirement assets. The Calandras recognized this strategy as a “win-win” for anyone who had previously planned to leave their unused retirement assets to children or other heirs with the expectation that they could “stretch” the distributions over their life. A testamentary CRT can preserve the retirement account “stretch” opportunity and provide lifetime income streams to beneficiaries.

“The old adage that ‘you can’t have your cake and eat it too’ does not apply to making a planned gift to Notre Dame. Our CRT gifts have delivered, and will continue to do so long into the future, significant financial benefits to both the University and our family.”

PHIL '72 & SUSAN CALANDRA (SMC '72)



REDUCE TAXES FOR YOUR HEIRS BY MAKING NOTRE DAME A BENEFICIARY OF YOUR RETIREMENT ACCOUNT

You may also consider making a charitable bequest of part or all of your retirement account to Notre Dame. A retirement account bequest is one of the most tax-efficient ways to fund a charitable gift from your estate. By making Notre Dame a beneficiary of your retirement account, you may reduce or eliminate federal estate and income taxes related to your retirement account at your passing.

When the owner of a retirement account passes away and leaves the retirement account to family members, estate and income taxes on the retirement account may total 60% or more of the retirement account assets. You receive a charitable estate tax deduction upon your death when you designate your retirement account to Notre Dame. In addition, your estate and your heirs will not report any taxable income related to the retirement account distributed to Notre Dame upon your death. Notre Dame receives the retirement account assets designated to the University, is not subject to either estate or income taxes, and the entire amount the University receives can be applied to an area of impact that you designate during your life.

With the reduced ability to defer income taxes on retirement accounts under the SECURE Act, making a charitable bequest of part or all of your retirement account is now an even more attractive option.

Making Notre Dame a beneficiary of your retirement account will also qualify you for membership in the Stephen Theodore Badin Guild, a giving society established to honor those who make Notre Dame a part of their personal legacy with a planned gift.

To designate Notre Dame as a beneficiary of your retirement account, contact your plan custodian and the custodian will provide you with the retirement account beneficiary forms to make your gift to Notre Dame.

To ensure that we properly record and acknowledge your gift, or if you have any questions regarding this process, please contact us at 574-631-7164 or pgiving@nd.edu



Since Her earliest days,

planned gifts have sustained the life and work of the University of Notre Dame.

The Love Thee Notre Dame Initiative is an invitation to all members of the Notre Dame family to be the ones that secure Notre Dame's future through planned giving commitments and ensure that the University's sacred mission will live on — **today, tomorrow, and forever.**

The University of Notre Dame is an educational institution and does not provide tax, legal, or financial advice. Any document or information provided to you by our staff is intended to be educational and informational. Notre Dame strongly encourages all of our donors to seek counsel from their own legal and financial advisors. Please know that any information or document shared by the development staff cannot be used to avoid tax-related penalties.

