



Use Your IRA for Charitable Giving to Loyola University of Chicago

If you own an Individual Retirement Account (IRA) and are over the age of 70 ½, you can donate a total of up to \$105,000 per year to charitable organizations like Loyola University of Chicago and receive tax benefits regardless of whether you itemize deductions on your income tax returns. If you are married and your spouse also owns an IRA and is over the age of 70 ½, they may also donate a total of up to \$105,000 per year.

At Loyola, your gift(s) can provide important support for student scholarships, academic programs and many other worthwhile initiatives that further the University's mission.

7 Steps to Donating Via Your IRA

Since the Internal Revenue Service (IRS) has specific rules that must be followed for this kind of charitable gift, here is a step by step guide to successfully using your IRA for donations-

1. First, it helps to know that the IRS calls this type of charitable gift a "Qualified Charitable Distribution" or simply, "QCD." Informally, the term "charitable IRA rollover" is also used.
2. You must be the IRA account owner and you must be at least age 70 ½ to make this kind of gift. The same holds true for your spouse.
3. In 2023 Congress enacted legislation (the SECURE Act 2.0) that changed the age for which Required Minimum Distributions (RMD's) must be withdrawn from IRA accounts. The age increased from 72 to 73.

This is important for two reasons. First, a main tax benefit of the IRA QCD is that it counts toward the donor's RMD amount. By donating a QCD, you can reduce the amount of IRA distributions included in your gross income for tax purposes. Instead of a charitable gift deduction, the IRS enables you to exclude the total amount of your IRA QCDs from your taxable income. The same holds true for your spouse.

Second, as mentioned already, if you are at least age 70 ½, the SECURE Act 2.0 did not change the earliest age for donating via the IRA QCD method. So, regardless of changes to RMD rules, you can still gain tax benefits this year by making gifts via the IRA QCD.

4. We always recommend that you consult with your tax and/or financial advisor to assure that the IRA QCD is suitable for your specific financial circumstances.
5. An important IRS rule is that the company that administers your IRA must transmit the money for your IRA QCD gift directly to Loyola.

To initiate the gift, you should contact your IRA administrator and tell them that you want to donate a Qualified Charitable Distribution (QCD) from your IRA to Loyola University of Chicago.



LOYOLA

UNIVERSITY CHICAGO

Your IRA administrator will need the following information:

Our legal name: Loyola University of Chicago
Our tax identification number: 36-1408475

U.S. Postal System Address:
Loyola University of Chicago
Gift Processing
P.O. Box 4336
Carol Stream, IL 60122-4336

Overnight Delivery like UPS, FED Ex, etc:
JP Morgan Chase Bank
Attn: Loyola University Chicago (Lockbox 4336)
131 S. Dearborn Street, 6th FL
Chicago IL 60603

Please ask your IRA administrator to issue and mail a check payable to Loyola University of Chicago and include your name and address in the check's memo section.

6. Some IRA administrators have issued IRA checkbooks to IRA owners. If you and/or your spouse have an IRA account checkbook, please follow step 5 to send your gift check to Loyola. Please write "IRA QCD" in the memo section of your check. If you want your gift designated to support a specific scholarship, program, or other initiatives, please include a brief cover letter with your check with those instructions.

7. The last step is also important to know. In order for this gift to qualify for tax benefits in this tax year, under IRS rules the money must be transferred from your IRA account to Loyola by December 31. This means your check should be received by Loyola at least 2 weeks prior to that date to give us and your IRA administrator ample time to cash it and transfer the money. To be safe, please be sure that your IRA gift check is mailed to Loyola before December 15.

We encourage you to support Loyola and gain the tax advantages of an IRA Qualified Charitable Distribution this year. Please contact your IRA administrator soon to start the process of them sending a check for your gift to Loyola.

We are grateful for your support!

Questions? Send us an email at giftplanning@luc.edu.