

# USING A QCD FROM YOUR IRA!

## The Qualified Charitable Distribution

### What is a QCD?

The *Qualified Charitable Distribution* (“QCD”) from your IRA is a well-established and popular way to help those in your community through the services of The Salvation Army.

- ✓ It reduces your taxable income.
- ✓ QCD gifts use *pre-tax* money instead of *post-tax* money making this a better giving option.
- ✓ QCD gifts remove assets from your IRA which can reverse negative tax consequences when transferred to heirs.

### Who it Benefits:

Whether you want to make a gift of \$100 or up to \$105,000, this gift benefits:

- \* IRA holder over age 70 ½ eligible for a QCD.
- \* IRA holder over age 73 required to take a Required Minimum Distribution (RMD)

LOOKING AT THE CONCEPT		
Couple over age 73:	RMD	QCD
Income from all Sources:	\$150,000	\$150,000
IRA Req. Min. Distribution:	\$40,000	\$0.00
Adjusted Gross Income:	\$190,000	\$150,000
*Standard Deduction:	-\$32,300	-\$32,300
Taxable Income:	\$157,700	\$117,700
<b>Income Taxable Difference:</b>	N/A	<b>\$40,000</b>
Federal & State Tax:	30%	30%
<b>Tax Savings Benefits:</b>	<b>\$0.00</b>	<b>\$12,000</b>
<b>Gift to Impact Community:</b>	<b>\$40,000</b>	

\*Standard deduction of \$29,200 plus \$3,100 for couples over the age of 65 in 2024

### Another Option:

**NOW** you can use your IRA distribution to fund a life income gift with rates as high as **10.10%**. Your gift will also provide help in your community. **Request your FREE illustration.**

THE SALVATION ARMY



**Provide for Your Family's  
Financial Future and  
Impact Your Community**



**LEARN HOW YOU CAN:**  
*Provide for Your Family's  
Financial Future &  
Impact Your Community*



**The Salvation Army  
offers two programs  
that can help you  
make an impact:**

**STRETCH IRA  
PROTECTION TRUST  
and  
THE IRA CHARITABLE  
DISTRIBUTION**



Strength and Stability  
since 1865

## Introducing The STRETCH IRA PROTECTION (SIP) TRUST

Many people have built up a large amount of assets in their IRAs. How will these assets impact the people who inherit them?

Leaving large sums to others can be beneficial or sometimes problematic. What will happen to the money if they receive a lump sum? Will they be able to manage it well? Will there be unforeseen circumstances such as debt, divorce, or market fluctuations that could deplete all the funds?

Previously the "lifetime" stretch feature protected those inheriting IRA assets. They were able to stretch payments over their entire life, thereby protecting the IRA's principal value.

The Secure Act has now limited that protection to 10 years, except for spouses and a few other exempt groups. All other beneficiaries must receive all the IRA assets within 10 years after the death of the original owner, which can incur huge tax consequences to the heirs and reduce the IRA principal value.

### Don't let TAXES consume 50% of Your Family's Inheritance

#### Concept of \$1,000,000 IRA Lump Sum Inheritance

	Annual Income \$100,000		Inheritance & Income \$1,100,000	
Fed tax bracket	24.0%	\$24,000	37.0%	\$407,000
CA tax bracket	9.3%	\$9,300	12.3%	\$135,300
Taxes		\$33,300		\$542,300
<b>Net Income</b>		<b>\$66,700</b>		<b>\$557,700</b>

If taken in lump sum, heirs can lose as much as half of their inheritance. Even if stretched over 10 years (Secure Act law), heirs can lose much of the principal due to tax consequences.

### The SIP TRUST Provides:

- ✓ Lifetime secure income for heirs
- ✓ Protection for family's inheritance
- ✓ Assets grow tax-free within the Trust
- ✓ Fixed or variable payments
- ✓ Payments to multiple beneficiaries
- ✓ Reduced inheritance taxes
- ✓ Easy no cost set-up
- ✓ Peace of mind for you and family
- ✓ Significant impact gift to community

For More Information or to Request Your **FREE Booklet & Custom Illustration**

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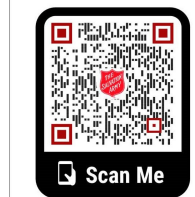
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OR REQUEST ONLINE



## Save your Stretch IRA Protections for your FAMILY

Protect your family's financial future by creating a SIP Trust to protect the IRA inheritance principal value as the assets continue to grow tax-free within the Trust.

Provide secure lifetime income for your family. After all lives, the remainder of the Trust will help those less fortunate in your community long into the future.

### PROVIDE FOR & PROTECT Your Family's Financial Future

Establish a Stretch IRA Protection Trust to provide secure lifetime income for your family and save the stretch protections.



STRETCH IRA PROTECTION TRUST CONCEPT	
Parents established a SIP Trust for: <b>Adult Child &amp; Spouse (Ages 68) plus 3 Grandchildren</b>	
<b>FEATURES:</b>	<b>Two-Life Plus 20 Years</b>
Funding Value (IRA Value)	<b>\$1,000,000</b>
Payout Rate	5.00%
Beginning Annual Payout	\$50,000
Projected Payout at Maturity *	\$110,000
Charitable Tax Deduction for Estate	\$300,000
<b>Total Income to Family over Lifetime</b>	<b>\$3,600,000</b>
<b>Impact Gift to Your Community **</b>	<b>\$2,000,000</b>
* Income may vary annually as assets grow tax-free within the Trust	
** Gift to charity after lifetime of all beneficiaries	