

## **CAPITAL CAMPAIGN:**

### **FUNDING your PLEDGE USING your IRA RMD as a RESOURCE**

#### **ELIGIBILITY**

- 70-1/2 Years of age or older
- Own an IRA or 401k managed by a financial institution
- Required to withdrawal funds based on the RMD (Required Minimum Distribution)

#### **FUNDING**

1. Turn in a pledge card to St. Mary for the Capital Campaign & inform the parish that the payment will come from an IRA RMD check.
2. Contact the broker at the financial institution that manages your IRA. Discuss with them about your plans to withdraw from the RMD of your IRA to give to a charitable organization for a tax advantage. Ask them to write a check payable to: St. Mary, Our Lady of the Lake. This is the most important step or you will end up paying tax on your withdrawal.
3. Ask your financial institution to mail the check to your address, but made out to St. Mary, Our Lady of the Lake. Then you deliver the check to St. Mary personally. This give you and the parish confirmation that the check has been received and assigned as your payment to the campaign.

#### **DOCUMENTS YEAR END**

- Your financial institution sends 1099-R to your address, which will include:
  - Total Gross distribution (amount of RMD withdrawal)
  - Taxable distribution (RMD amount minus charitable dollars given)

#### **ADVANTAGE**

- Charitable contribution is non-taxable