

The IRA Charitable Rollover

An Easy Way to Support Punahou

If you are 70½ or older, you can donate up to \$100,000 directly from your IRA to your favorite charities without treating the distribution as taxable income. It's an easy way to support students, faculty and programs at Punahou School.

Making an IRA Rollover Gift is Easier Than Ever

- » We can provide a template letter instructing your plan administrator to distribute your gift to Punahou.
- » You can direct a transfer of up to \$100,000 to be made this year from your IRA(s) to one or more qualified charities.
- » You will pay no income taxes on the amount transferred.
- » Note: Because you are not claiming the transferred amount as income, you will not receive an income tax deduction for your gift.
- » We will work with you on how you would like your gift to be used.
- » For answers to your gift planning questions, please call Carrie Ogami at 808.944.5845 or email cogami@punahou.edu.

I want to learn more about the IRA Rollover and how it can help meet my required minimum distribution, save on taxes and support Punahou. Please contact me with more information.

The best way to contact me is by:

Email Mail Telephone

Name _____

Street _____

City _____

State _____ Zip _____

Phone _____

Email _____

(All inquiries are treated with complete confidentiality.)

Please consult your personal financial advisor for information specific to your situation. Punahou School cannot give tax, legal, or financial advice.



PUNAHOU SCHOOL

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PUNAHOU SCHOOL

Gift Planning

Gifts from Your IRA to Punahou



How to Use Your IRA for Punahou

Are you frustrated by the required minimum distribution (RMD) rules that increase your taxable income? If you are like most people who are required to take a distribution from their IRA, you are likely paying more in taxes each year.

The IRA charitable rollover is a great alternative to taking the RMD. While you still must withdraw a certain amount of money from your IRA, the IRA charitable rollover gives you a way to satisfy the RMD rules, avoid tax on the distribution and support Punahou School.

- » Rolling over all or part of your RMD directly to Punahou excludes it from your taxable income
- » IRA gifts distributed to Punahou will count toward your Reunion Class Gift
- » Use your RMD to support students, faculty and programs at Punahou School

**70 1/2
OR OLDER**

**YOU CAN
DIRECT UP TO
\$100,000**

Double the Benefits

The law allows up to \$100,000 per person (over 70½ years old) to be distributed from an IRA to a qualified charity each year.

If you are married, this means you and your spouse can each give up to \$100,000 per year, doubling the gift and further reducing your taxes.

EXAMPLE

Fred has saved all his life and now his IRA has grown quite large. Since he is older than age 70½, the government requires him to make withdrawals from his IRA each year. Fred loves Punahou but worries he must limit his giving because of the taxes he must pay on his RMD. He is unsure if he will have enough left over for Punahou. Here is how the IRA rollover benefits Fred.

What If You Have a 401(k) or Other Retirement Account?

The rollover law applies only to IRAs. If you have a 401(k) or other retirement account that requires minimum distributions, you cannot make an IRA rollover gift. However, if the idea of using the charitable rollover appeals to you, it is often possible to roll over funds from your other accounts into your IRA and then make a rollover gift. Please talk with your advisor about whether this option makes sense for you.



Taxable IRA Withdrawal	Nontaxable IRA Rollover
Fred withdraws his \$45,000 RMD.	Fred contacts his IRA administrators and directs them to distribute \$45,000 to Punahou.
Fred pays income tax on the \$45,000 based on his tax rate.	The distribution provides support for initiatives like financial aid, new learning environments or key academic programs at Punahou.
He gives Punahou less than he wants because he has to pay so much in taxes this year.	Fred gives Punahou more than he thought he would be able to because he doesn't have to pay tax on the distribution.

If you like the idea of saving taxes and supporting your favorite causes, an IRA charitable rollover gift makes sense for you. Please contact Carrie Ogami, director of Gift Planning, and your IRA administrator to learn more and get started with your gift.

The name and image shown here are representative of a typical donor and may or may not be actual donors to the organization. Under federal rules your benefits may be different from this example. Please contact us for your specific benefits.