



Active Surveillance Patients International Inc.

Stroudsburg, PA. | contactus@spatients.org

How to Maximize the Value of Your IRA

According to our follow up opinion survey of the ASPI webinar of April 22nd “*Your Voice in the Future of Active Surveillance*”, which was attended by over 200 individuals from several countries around the world was a big success. Thank you for your interest in the mission of ASPI and assisting us with our efforts to provide meaningful education and support for individuals with prostate cancer.

If you would like to donate to ASPI we would like to provide the following information for you to consider in structuring your gifts to continue our work:

If you turned 70 ½ prior to or in 2019 and have a traditional IRA you are required by the IRS to start taking Required Minimum Distributions (RMD) prior to or by April 1, 2020. (RMD rules do not apply to a ROTH IRA while the owner is still alive). The Secure ACT of 2019 raised the RMD age to 72 beginning in 2020. The RMD is counted as taxable income for federal tax purposes. ASPI is a federally registered 501(c)(3).

Also effective in 2020, the federal standard deduction increased to \$25,900. As a result, fewer people are able to itemize deductions including gifts made to a charity. However, there is an alternative you can use.

➤ Leverage your RMD

- A Qualified Charitable Distribution (QCD) from your IRA uses all or a portion of your RMD to lower your taxable income and support ASPI.

➤ How does it work?

- If you are 70 ½, you can contact the custodian of your IRA and direct them to send all or some of your RMD payment directly to ASPI.
- Since you do not receive the amount of the gift, your Adjusted Gross Income is reduced
- Lowering your Adjusted Gross Income reduces the amount of income tax owed
- The annual limit for the amount of RMD that may be used as a QCD is \$100,000.

➤ Example:

- Your annual RMD from your IRA is \$15,000.
- You direct your IRA custodian to send a check directly to ASPI monthly, quarterly or annually for the total or even a portion of the \$15,000. You leverage the value of your IRA to lower your taxes.
- You have excluded that amount from your taxable income, which will reduce your taxes by an amount dependent upon your tax rate. (Your QCD cannot exceed that of your RMD).

Your IRA custodian should send the RMD check to:

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