



Key learnings

- ✓ You need to be age 70 ½ or older
- ✓ Doesn't increase taxable income (up to \$111,000 for 2026)
- ✓ Can offset your required minimum distribution (RMD)

Qualified Charitable Distributions

There are different ways to fund your charitable goals, and one to consider since you own a traditional IRA is a **Qualified Charitable Distribution (QCD)**. A QCD allows you to donate assets directly from an IRA to a qualified charity.

Based on your retirement analysis, you are currently projected to have enough assets to fund your needs, wants and wishes. You may not need to rely on spending the RMDs from your IRA. As you continue to reflect on your charitable goals and how much you choose to give, QCDs may be a tax-efficient planning strategy to take advantage of.

Age Restriction

A QCD is available to IRA owners who are age 70 ½ or older.

Tax Benefits

You can exclude up to \$111,000 (per taxpayer in 2026, indexed annually to inflation) of QCDs from your taxable income each year, regardless of whether you itemize your income taxes.

RMD Offset

The distribution also counts toward the Required Minimum Distributions (RMDs) that are required by traditional IRAs beginning the year you turn age 73 (or age 75 if you were born in 1960 or after).

Additional considerations

- QCDs are generally used with Traditional IRAs. Employer plans (like 401ks) aren't eligible, and Roth IRAs generally have tax-free distributions (and no RMDs), making QCDs less beneficial.
- The IRS doesn't allow QCDs to be contributed to donor-advised funds (DAFs).
- Deductible contributions to your IRA during or after the year you reach age 70½ will result in a dollar-for-dollar reduction in the tax deductibility of future QCDs.