



## **Last Chance for IRA Rollover Contributions to Habitat for Humanity - New York City**

The charitable IRA legislation is back – don't miss this last-chance opportunity to make tax-free gifts from your IRA to Habitat for Humanity - New York City!

Under the Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010, Congress has extended favorable tax treatment of IRA rollovers to nonprofit organizations until December 31, 2011. This is good news for individuals aged 70 ½ or older with individual retirement accounts: Thanks to the extended charitable IRA legislation, you can once again make outright gifts to charitable organizations, such as Habitat-NYC, using IRA funds – without tax complications.

If you are required to take the Required Minimum Distributions from your IRA and you don't want to take the money for personal use, consider using those funds as a charitable gift. While you cannot claim a charitable deduction for the IRA gifts, you will not have to pay income tax on the amount.

### **You may contribute funds this way if:**

- You are 70 ½ or older and own an IRA or Roth IRA (pensions, 401(k) and 403(b) plans are not eligible);
- Your total combined IRA charitable rollover gifts do not exceed \$100,000 in 2011;
- You transfer funds directly from an IRA to a charitable organization. Distribution must be made directly from the IRA trustee or custodian payable to Habitat-NYC and received by December 31, 2011;
- To qualify for tax-free treatment, you cannot receive any goods or services in return for your IRA charitable rollover contribution;
- You must receive an acknowledgement from Habitat-NYC for your contribution.

### **The benefits you can receive:**

- In most cases, the transfer counts toward your Required Minimum Distribution;
- The IRA Charitable Rollover permits you to make donations directly to Habitat-NYC without counting the distribution as part of your adjusted gross income, and, thus, without paying taxes on it;
- You may transfer up to \$100,000 directly from your IRA by December 31, 2011;
- The distributions may be in addition to or fulfill any charitable giving you have already planned.

### **What you need to do**

Please consult your financial advisor and your IRA administrator to learn more about how you can take advantage of this extension to help organizations that mean so much to you. In addition, personal circumstances can have a significant impact on whether charitable rollovers are advantageous. To benefit from the 2011-eligible IRA contribution, contact your IRA administrator as soon as possible: Some administrators may place a deadline on requesting transfers.

**Call Jaime Abbott at Habitat-NYC, 212-991-4000 ext. 321 or [jabbott@habitatnyc.org](mailto:jabbott@habitatnyc.org) with any questions.**