



## High fives for IRAs, QCDs, and charitable planning

At the community foundation, we are honored to talk with donors and fund holders every single day about favorite causes and how best to support those causes, whether through a donor-advised fund, an unrestricted gift to the community foundation, a legacy gift to particular organizations or to the community foundation itself, and everything in between.

One of the most common areas of confusion (understandably!) for donors and fund holders is how to use IRAs and other retirement accounts to further charitable goals. And it's an important topic because Americans who've been in the workforce for a few decades have watched their 401(k)s, IRAs, and other retirement accounts [grow](#) nicely! Retirement accounts are a major asset on many families' balance sheets.

Our team understands how tricky it is to keep track of all the rules, and we are here to work alongside your tax and estate planning advisors to help you develop a charitable giving plan that achieves your goals, including ways to use your IRAs and other retirement accounts. Please consider sharing the five important points (plus a bonus!) below with your advisors as year-end approaches.

### **Age 70½ is still an important charitable giving milestone.**

If you have reached age 70½, you may be eligible to make a [Qualified Charitable Distribution, or QCD](#), directly from your IRA to an eligible charitable organization.

This opportunity begins even though [Required Minimum Distributions](#) generally do not begin until later—at age 73 or 75, depending on your birth year. In other words, you don't have to wait until RMDs begin to start using QCDs for your charitable giving.

### **The 2026 QCD limit is \$111,000 per taxpayer.**

The annual QCD limit is indexed for inflation and is \$111,000 in 2026. If you are married and both you and your spouse meet the eligibility requirements and have your own IRAs, each of you has a separate limit.

Unlike a conventional charitable contribution, a QCD generally is excluded from your taxable income rather than claimed as a charitable income tax deduction. And if you are already taking RMDs, a [qualifying QCD can count toward your RMD](#).

This can make a QCD particularly attractive if you don't itemize deductions—or if you simply would like to use a portion of your IRA to support the organizations and causes you care about.

### **Make sure the money travels the right path.**

The mechanics matter. To qualify as a QCD, the distribution must be made [directly from your IRA to an eligible charitable organization](#). Generally, you can't withdraw the money yourself, deposit it into your bank account, and then write a check to charity and receive QCD treatment.

There is another important limitation: Under current law, donor-advised funds generally cannot receive QCDs. If you have a donor-advised fund at the Community Foundation of West Georgia, however, don't assume that means the community foundation can't help. Other types of charitable funds may be eligible to receive QCDs.

Please reach out to our team *before* initiating the transfer. We can work with you and your advisors to determine which options may fit your charitable goals.

### **Keep an eye on Washington.**

QCD rules could become even more flexible! If you enjoy tracking legislation—knowing, of course, that proposed legislation may or may not become law—two bipartisan proposals are worth watching. The Charity Parity Act (H.R. 8783) ([Senate version, S. 4511](#)) would allow eligible donors to make QCDs directly

from certain employer-sponsored retirement plans, such as 401(k)s and 403(b)s, rather than requiring charitable distributions to come from an eligible IRA. Another bipartisan proposal, the [IRA Charitable Rollover Facilitation and Enhancement Act of 2026 \(S. 3975\)](#), would allow QCDs to donor-advised funds.

Neither proposal is current law, so don't count on these expanded options just yet. But both are worth watching, especially if you have substantial retirement assets or use a donor-advised fund as an important part of your charitable giving.

**Don't forget about your IRA when you're planning your legacy.**

QCDs allow you to use retirement assets for charitable giving during your lifetime. But there is another opportunity that is easy to overlook: You can name a charitable organization, including your fund at the Community Foundation of West Georgia or even the community foundation itself, as a beneficiary of an IRA or other retirement account.

Retirement accounts can be particularly attractive assets to leave to charity. Traditional retirement assets left to individual heirs may carry income tax consequences, while a tax-exempt charitable organization generally does not pay income tax when it receives those assets.

And the process may be surprisingly simple. You may be able to leave all or a percentage of a retirement account to charity simply by updating your beneficiary designation, without changing your will or revocable trust. Of course, coordinate any beneficiary designation with your overall estate plan and review it with your legal, tax, and financial advisors.

**And a bonus point: You don't have to figure this out on your own.**

Retirement assets sit at the intersection of tax planning, financial planning, estate planning, and charitable giving. That's one reason we love working alongside your professional advisors. Whether you're considering a QCD before year end, thinking about including charitable giving in your beneficiary designations, or simply wondering whether your retirement assets could help you accomplish more for the causes you care about, please reach out. We're here to help you explore the possibilities.

Thank you for the opportunity to work together!



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