IRA Charitable Rollover

A charitable IRA rollover gift allows you to support a school or program that is meaningful to you at Loyola and receive tax benefits.

If you are or will be 70 1/2 years old or older, and you have an Individual Retirement Account (IRA) or other retirement plan account, you must begin taking the IRS-determined Required Minimum Distribution (RMD), regardless if you need the income or not. This distribution will be part of your gross income, so it may increase your income taxes. One way to reduce this liability is to rollover all or just a portion of your RMD (up to $100,000) to Loyola University of Chicago. Your gift can be directed to provide scholarship or program support. It is important to work with your retirement fund trustee or custodian to make sure that the rollover transfers directly to the charity you choose. Then notify the Office of Gift Planning so we may ensure the proper designation and receipt for your gift.

If you are not eligible for an IRA rollover, a gift of retirement assets is still a smart way to support Loyola University Chicago. Retirement accounts are often subject to a combination of estate taxes and federal and state income taxes that can reduce remaining assets to heirs. By designating your retirement account as a charitable gift, these assets will transfer tax-free to Loyola. Supporters of all ages can name Loyola as a partial or 100 percent beneficiary of an IRA, 401(k) and 403(b) plan, or other retirement accounts and receive the tax benefits.

Steps to Making the IRA Charitable Rollover

✓ You are age 70 1/2 or older on the day of the gift.
✓ You make the gift on or before Dec. 31, 2019, to qualify for a 2019 gift.
✓ You contact your IRA administrator and request a transfer funds directly from your IRA.
  o The administrator will need the full legal name of the charity. Ours is Loyola University of Chicago.
  o The administrator may need the charity’s EIN, or tax identification number. Loyola’s EIN is 36-1408475.
  o The administrator will want the mailing address. Please mail IRA Rollover gifts to:

Loyola University Chicago
Office of Gift Planning
820 N. Michigan Ave
Chicago, IL 60611

✓ You contact the charity to let them know that your gift will be coming. Please let them know the company name your IRA administrator, the approximate dollar amount, and any restrictions on the gift. You can call the Office of Gift Planning at 312-915-7641.
✓ The IRA administrator transfers the gift outright to one or more qualified charities.
✓ You may give $100,000 or less for 2019. (Your spouse can also give up to $100,000 from his or her own IRA if he or she is 70 1/2 or older.)
✓ The charity received the gift directly from the IRA administrator.
Many IRA administrators allow you to complete this process online. If that option is not available, you can write a letter to the IRA administrator, based upon the example below:

Sample Request from Plan Owner to IRA Administrator for 2019 Charitable Distribution

[Donor name]
[Donor address]

______________________________, 2019

[Name of IRA Administrator]
[IRA Administrator Address]

RE: Request for Charitable Distribution from IRA

Dear Sir or Madam:

Please accept this letter as my request to make a direct charitable distribution from my Individual Retirement Account #________________________ as provided in The Protecting Americans from Tax Hikes Act of 2015 and Section 408(d)(8) of the Internal Revenue Code of 1986, as amended.

Please issue a check in the amount of $________________________ payable to Loyola University Chicago and mail it to:

Loyola University Chicago
Office of Gift Planning
820 N. Michigan Ave
Chicago, IL 60611

Loyola University’s tax identification number is 36-1408475

In your transmittal to Loyola, please include my name and address as the donor of record in connection with this distribution memo referencing the [College/School/Program/Fund] as the designation. Please copy me on your transmittal. It is my intention that this distribution qualify for exclusion from my taxable income during the 2019 tax year. Therefore, it is imperative that this distribution be delivered to Loyola no later than December 31, 2019. If you have any questions or need to contact me, I can be reached at ________________________________.

Thank you for your assistance in this matter.

Sincerely,

______________________________