

PERMIAN BASIN AREA
Foundation

October 31, 2008

Congress extends IRA Charitable Rollover through 2009

On October 3rd, Congress passed and the President signed H.R. 1424, the Emergency Economic Stabilization Act of 2008, AKA “the bailout”, authorizing the use of \$700 billion in tax dollars to stabilize the Nation’s financial markets. Included in this landmark bill was a two-year extension of the IRA charitable rollover, which previously lapsed at the end of 2007.

The *IRA Charitable Rollover* is an opportunity for an IRA owner of age 70½ or older to make a charitable gift (or gifts) of up to \$100,000 per individual directly from their Individual Retirement Account to a nonprofit of their choice. The donor can thus make a meaningful gift and avoid the income tax liability incurred in satisfying their annual required minimum distribution (RMD). For certain donors, such gifts would also reduce estate taxes, which are especially onerous on traditional IRAs. The new provision expires December 31, 2009.

Our Fall 2007 issue of *Foundation News* contained more information about this time-sensitive method of charitable giving. Visit our website:

http://www.pbaf.org/news/newsletter/07_fall/page5.html

For assistance in promoting IRA rollover gifts to your organization’s endowment, contact Guy McCrary at Permian Basin Area Foundation 432.617.3213 or gmccrary@pbaf.org.