

November 1, 2025

For many donors 70½ or older, a gift from a qualified IRA just became far more advantageous. We need to encourage our retired congregants and donors to talk to their professional advisors about tithing to UWM, or their local ministry, utilizing a “Qualified Charitable Distribution” from their IRA rather than a cash donation. Most charitable organizations are actively promoting IRA gifts, so we want to support you in informing your congregation about this timely opportunity.

With the passage of the Tax Cuts and Jobs Act of 2017, many donors over the age of 70½ will likely benefit from giving using a Qualified Charitable Distribution from their IRA. Donors are now allowed to transfer up to \$100,000 annually from their IRA directly to their favorite charity. When the gift is made directly from the IRA to a qualified charity, the distribution is excluded from the donor’s adjusted gross income (AGI) but still counts toward their IRA required minimum distribution (RMD).

For retired donors who do not need the required minimum distribution from their IRA, or at least a portion of it, this is an efficient and easy way to support Unity and reduce the donor’s taxable income. A qualified gift from their IRA is particularly appealing to donors who do not benefit from charitable deductions because they do not itemize deductions on their tax return; those who have already reached their annual limitation on charitable deductions; and those impacted by the percentage of adjusted gross income limitation on charitable contributions. The new tax code will make charitable giving and tithing less financially advantageous for many Americans, so taking advantage of the IRA Qualified Charitable Distribution can benefit more of your congregants. Because the new tax code nearly doubles the standard deduction, many retired donors who typically itemized deductions in the past will now be using the standard deduction. This means that their charitable gifts and tithes might not be as advantageous to them at tax time. However, a Qualified Charitable Distribution from an IRA, even if they take the standard deduction, will still allow the donor to make their gifts with pretax dollars.

Making a Qualified Charitable Distribution from an IRA is simple. Typically, the donor contacts their IRA custodian and specifically requests to make a Qualified Charitable Distribution. Most IRA administrators will simply provide a form to the donor to authorize the QCD, and then issue a check from the IRA made out to the donor's charity of choice.

This tax-advantaged opportunity needs to be communicated to your retired congregants. For many, tithing from their IRA will now benefit them more than giving cash. We encourage you to promote IRA gifts in your newsletters, on your website, or even in a letter directed specifically to your members who are 70 ½ or older. Do not feel you need to go into detail, as simply acknowledging that this opportunity exists for donors in this age group should be sufficient to generate interest. Donors who make IRA Qualified Charitable Distribution gifts are likely to repeat them in subsequent years, and they will become more likely to consider other types of planned gifts, like bequests from the same IRA.

Unity Worldwide Ministries does not provide individuals with tax or legal advice, but we are pleased to visit with donors and/or staff of member ministries who have questions about handling gifts from an IRA, or any charitable contribution. Since a Qualified Charitable Distribution from an IRA does not count toward the donor's income, it is not tax-deductible, so you will need to acknowledge the gift a bit differently—UWM can provide a sample letter for use with your letterhead. For more information please contact:

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The information herein is not intended as tax or legal advice. Figures cited in examples are for hypothetical purposes only. For more information, see a competent tax advisor.

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