



## IRA Charitable Rollover Reminder

### Who Can Benefit From an IRA Charitable Rollover?

- If charitable deductions are not itemized: Benefit to Americans who do not itemize deductions and therefore do not receive a tax benefit for their charitable contributions.
- If charitable gifts exceed 50% / 30% limits of expected adjusted gross income for 2016: This allows the donor to skip by these limits and give more.
- If Social Security income is taxable - By avoiding the recognition of taxable income, the donor may have less of their Social Security income subject to income tax.
- If donor is a resident of Ohio, Indiana, Michigan, New Jersey, Massachusetts or West Virginia: These states provide no income tax break for charitable contributions.
- Future estate tax implications - The combination of estate and income taxes on IRA assets can produce an effective tax rate of up to 80%. The Charitable IRA Rollover exclusion gives individuals the opportunity to remove up to \$100,000 of these assets from their estate with no tax consequences. Spouses can rollover up to \$100,000 as well if qualified.

### Reminder of the Rules for Using an IRA Charitable Rollover

1. Individuals must be 70½ years old or older.
2. Rollover cannot exceed \$100,000. Amounts more than \$100,000 will be added to taxable income.
3. Rollovers can only be made from traditional IRAs. Rollovers from 403(b) plans, 401(k) plans, pension plans, and other retirement plans do not qualify. Funds must come DIRECTLY from the plan administrator to the charity.

Please note that if a donor makes direct distributions from their IRA to a charity where those funds are put in a donor advised fund, the donor is still required to claim those monies as income and they cannot be characterized as a charitable rollover. A donor can use the rollover to establish a:

- **Scholarship Fund:** A donor can establish a scholarship program at a school of their choice. The donor can work with the parish, school or Catholic Foundation to determine the criteria the school will use in screening and selecting scholarship applicants.
- **Designated Fund:** A donor can create a designated fund to support a specific charity of their choice.

Donations must be postmarked on or before December 31, 2016 to qualify for the 2016 tax year. Donors may receive no goods or services in return for their contributions, and must obtain written documentation of their contribution from each recipient charity. Check with your IRA administrator or your tax advisor for

more information.

Visit our website for a [copy of this article](#).

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## 14 Steps to a Successful Capital Campaign

So, your organization [parish] needs to raise a significant amount of money for a particular project. After examining all fundraising routes, [you've determined that a capital campaign is the right way to go](#). Before you dive straight into fundraising, there are a number of steps that you have to take to properly plan your capital campaign.

1. Assemble a Team
2. Complete a Feasibility Study
3. Conduct a Prospect Screening
4. Set a Deadline
5. Set a Financial Goal
6. Take a Look at the Past
7. Plan a Budget
8. Formulate Contingency Plan
9. Create a Hierarchy of Gifts
10. Plot a Fundraising Course
11. Create a Detailed Campaign Timetable
12. Prepare Support Documents
13. Craft Your Case Statement
14. Make Sure Everyone is on the Same Page

Read more in the [detailed article](#) on our website.

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## Look Out! 2016 "Dirty Dozen" IRS Tax Scams

Each year the IRS alerts taxpayers about potential tax problems and scams. Four of the 2016 "Dirty Dozen" scams were described in IRS letters this week. First, unscrupulous tax preparers may plan to file an inflated tax refund for you. IRS Commissioner John Koskinen stated, "**Be wary of tax preparers that tout outlandish refunds based on federal benefits or tax credits you have never heard of or were not eligible to claim in the past.**" [Continue reading...](#)

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## Unpaid Internships: Be Careful!

The Fair Labor Standards Act (FLSA) may put a damper on your unpaid intern dreams. While many nonprofits believe that the requirements of the FLSA apply only to for-profit, private-sector employers, there is still much debate about this. The United States Department of Labor (DOL) Wage and Hour Division often refers to its "[Fact Sheet 71: Internship Programs Under the Fair Labor Standards Act](#)" when addressing this issue.

The FLSA does offer an exclusion from the definition of "employee" for those interns who receive training for their own educational benefit, if the training meets certain criteria. Each internship opportunity should

be evaluated on an individual basis. To determine if your organization's intern is exempt, it is recommended that you apply the following criteria to the situation...[Continue reading...](#)

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## YouTube Adds 'Donation Card' so Videos Can Raise Money

YouTube is rolling out a new service that allows video creators to make their clips a conduit for charitable giving. [TechCrunch](#) writes. "Donation cards," previously available only to nonprofit groups, can now be added by U.S. YouTube users to any video they post on the site, allowing viewers to donate directly to a selected charity. Video makers can use the cards, which appear during playback, to highlight any registered 501(c)(3) organization. YouTube says recipient groups will get 100 percent of the donated amount. Google, which owns YouTube, says it plans to expand the program to more countries.

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### Suggested Reading

- [Retention Fundraising](#), by Roger Craver
  - [How to Connect with Donors and Double the Money You Raise](#), by Thomas Wolf
  - [Motivating Boards to Raise Money](#), by Kay Sprinkel Grace
  - [How to Turn Your Words into Money](#), Jeff Brooks
    - [Using Guilt in Fundraising](#), By Jeff Brooks
    - [The Evil Cousin of Fundraising](#), By Jeff Brooks
  - [How to Connect with Donors and Double the Money You Raise](#), Thomas Wolf
  - [Ultimate Board Member's Book](#), Kay Sprinkel Grace
  - [Why Catholics Don't Give...and What Can Be Done About It](#), Chuck Zech
  - [Catholic Contributions](#), Rev. Andrew Greeley and Bishop William McManus
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## Loaves & Fishes: Working for God

**Caution:** Working for God can be hazardous to your spiritual life!

**Date:** March 8, 2016 2:00 – 3:00 PM (EDT)

**Presenter:** Loreen Duquin

Sign up for this [free webinar](#) to learn more.