



*For those who are 70½ or older, any amount up to \$100,000 may be distributed tax-free from your Individual Retirement Account (IRA) to the Carleton University Foundation (U.S.). This amount can count toward your required minimum distribution for the year in which the distribution is made. Although these distributions are not deductible as charitable contributions on your income tax return, they affect your taxes because they are not treated as taxable income to you.*

### **Retirement Funds can be the Most Heavily Taxed Assets**

Most funds held in IRAs are subject to income tax when withdrawn during your lifetime or by your survivors. In addition, retirement fund assets can also be subject to state and/or federal estate tax if left to loved ones other than a spouse.

The combination of one or more of these taxes can consume a large portion of the amounts remaining in your IRA. Additionally, IRA distributions can cause more of your Social Security benefits to be taxed and withdrawals may cause additional phasing out of certain other tax benefits.

Making gifts directly from IRAs that would otherwise lead to increased tax liability can be a wise choice for many.

### **What is the first step?**

If you are thinking about making a tax-free distribution from your IRA to the Carleton University Foundation (U.S.) please discuss your intentions with a Gift Planner at Carleton University, who will assist you in achieving and defining your philanthropic goals.

Supporting the mission of Carleton University should give you great satisfaction. We welcome the opportunity to work with you and

your advisors to develop a gift plan that will be personally meaningful to you and bring maximum benefit to Carleton University and our students.

### Here is How It Works

- You must be 70 ½ or older at the time of distribution;
- You may distribute any amount up to \$100,000 in a calendar year to Carleton University Foundation (U.S.), as long as it is completed by December 31<sup>st</sup> of the year in which you intend to make the charitable distribution;
- Your IRA administrator must make the distribution directly to the Carleton University Foundation (U.S.);
- Include a letter of instruction to your IRA administrator requesting a distribution to the Carleton University Foundation (U.S.). Please include written instructions on how you would like to designate your gift.
- Before proceeding, you should also consult with your tax advisor to discuss your particular situation including any impact of your state's tax laws.

For more information, please call, email or write to:

**Holly Greatrex** **Meghan Maack** **Stefanie McLean**

#### Personal and Planned Giving

Carleton University | 4104 HCI | 1125 Colonel By Drive  
Ottawa, Canada K1S 5B6

Email: [plannedgiving@carleton.ca](mailto:plannedgiving@carleton.ca)

Website: [carleton.ca/planforgood](http://carleton.ca/planforgood)

Office: 613-520-3636

# TOGETHER FOR GOOD

The information in this brochure has been compiled from sources we believe to be reliable and is intended to provide general information only. This guide should not be construed as income tax or legal advice.

This brochure is not intended, nor should it be relied upon, to replace specific professional advice. Before acting on material contained herein, readers should seek advice that is appropriate to their personal circumstances from a professional advisor.

**SAMPLE REQUEST LETTER FROM PLAN OWNER TO  
IRA ADMINISTRATOR FOR CHARITABLE DISTRIBUTION**



(Date)

(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 the Carleton University Foundation (U.S.) for the purposes of \_\_\_\_\_ and mail it to:

**Carleton University Foundation (U.S.)  
Attention: Melissa Forrest, Secretary/Treasurer  
1455 Pennsylvania Avenue NW, Suite 400  
Washington, DC 20004  
U.S.A.**

**Carleton University Foundation (U.S.) Tax Exempt ID number is 52-1970455.**

In your transmittal to Carleton University Foundation (U.S.), please include my name and address as the donor of record in connection with this distribution. Please copy me on your transmittal.

It is my intention that this distribution qualify for exclusion from my taxable income during the \_\_\_\_\_ tax year. Therefore, it is imperative that this distribution is delivered to Carleton University Foundation (U.S.) no later than \_\_\_\_\_.

If you have any questions or need to contact me, I can be reached at \_\_\_\_\_.

Thank you for your assistance in this matter.

Sincerely,

\_\_\_\_\_  
(Client/Donor Name)

(Client/Donor Address, phone number & e-mail)

