



Montana Nonprofit Association

## IRA Charitable Rollover

The IRA Charitable Rollover allows individuals over 70½ to distribute up to \$100,000 from individual retirement accounts directly to charities without having to count the transfer as income. The IRA Charitable Rollover is scheduled to expire on December 31, 2009.

- ✓ MNA supports making the IRA Charitable Rollover permanent, lowering the age requirement to 59 ½ and including certain types of life income gifts as eligible.

### Summary of the Proposal

- In 2006, Congress passed the Pension Protection Act to allow individuals age 70½ and older to direct up to \$100,000 from IRAs and Roth IRAs to eligible charitable organizations each year without recognizing the amount transferred as income. The provision had a sunset date of December 31, 2007.
- In 2008, Congress re-enacted the IRA Charitable Rollover in the Economic Stabilization Act extending the program to December 31, 2009.
- The IRA Charitable Rollover provision must be extended or made permanent or it will expire at the end of this year. In addition, MNA also recommends that:
  - Congress lower the qualifying age to 59½.
  - Congress allow certain types of life income gifts as eligible for the Rollover.

### Status of the Proposal

The current IRA Charitable Rollover will expire on December 31, 2009. There are currently two proposals before Congress to include an extension and revision to the current law. One proposal, the Public Good Rollover Act, introduced by Sen. Dorgan has all the components MNA hopes to see in a new version of the Rollover.

#### Other Resources:

For up-to-date information on the IRA Charitable Rollover and other federal and state policy issues, visit the Montana Nonprofit Association's website: [www.mtnonprofit.org](http://www.mtnonprofit.org)

For information on current federal policy issues, including the National Council of Nonprofit's (NCN) recommendations to the Obama Administration, visit NCN's website: [www.councilofnonprofits.org](http://www.councilofnonprofits.org).

*Founded in 2001, the Montana Nonprofit Association (MNA) is a membership organization that promotes a stronger nonprofit sector in Montana. MNA achieves its mission through advocacy and public policy, access to affordable products and services, organizational development and training, research and information sharing, and network building. Representing the richness and diversity of Montana's charitable nonprofit community, MNA's over 500 nonprofit members address a broad array of missions, come from all four corners of the state and everywhere in between, and range in size from the smallest all-volunteer nonprofits to the largest organizations in Montana. We are many missions with one voice.*