The Protecting Americans from Tax Hikes Act of 2015 made permanent the IRA charitable rollover provision of the Pension Protection Act of 2006. Since 2016, this law allows that you may be eligible to make a gift from your IRA to a qualifying 501(c)(3) organization without incurring tax penalties. In the past, individuals who wanted to make a gift from their IRA during their lifetime were discouraged from doing so because of the income tax penalty.

IRA Qualified Charitable Distributions (also referred to as Charitable IRA Rollovers) may be transferred to the Sierra Club Foundation simply and without tax complications. This legislation only applies to eligible individual retirement accounts. It does not apply to group plans, 401(k) plans, or 403(b) plans. Please note that the Sierra Club, as a 501(c)(4) social welfare organization, is not eligible to receive IRA charitable rollovers. Check with your IRA custodian to ensure that an IRA charitable rollover is made payable directly to the Sierra Club Foundation as the qualifying 501(c)(3) public charity.

To Qualify:

- You must be 70 ½ years or older when the gift is transferred.
- You may transfer up to a maximum of $100,000 to qualified charities per year. Gifts must be made by December 31 of each year.
- If you are a joint tax filer, your spouse can also give $100,000 per year if he or she is over 70 ½ and has an IRA.

Additional Considerations:

- Certain states may not exclude gift amounts withdrawn from an IRA for state income tax purposes.
- Properly completed charitable rollovers count toward your annual minimum required distribution.
- If you reached the age of 70½ on or before Dec. 31, 2019, you can use your gift to satisfy all or part of your required minimum distribution (RMD) for the year. If you turn 70½ on or after Jan. 1, 2020, you can use your gift to satisfy all or part of your required minimum distribution starting at the age of 72. (Note: The RMD requirement has been waived for 2020, per the CARES Act signed into law on March 27, 2020.)

How To Make a Gift:

To make a gift from your IRA to the Sierra Club Foundation, contact your IRA administrator to arrange a direct transfer from your account. A sample letter to your IRA administrator is provided on the last page. Your IRA administrator can send the funds by a check made payable to the Sierra Club Foundation.

Please note that if the check is made payable to you and you deposit it into your bank account and then write a personal check for the gift, the distribution will not qualify as a charitable distribution and will be included in your taxable income.

The Sierra Club Foundation does not provide tax or legal advice. Please consult your own professional tax or legal advisor before making any charitable gift decision based on this information.
For more information, please contact the Donor Concierge team in the Sierra Club’s Office of Advancement:

Cory TenBrink
Serving West Coast Donors
541-277-4294
cory.tenbrink@sierraclub.org

Robert Kowsaluk
Serving East Coast Donors
323-388-6626
robert.kowsaluk@sierraclub.org

Shawna Wagner
Serving everyone else from Alaska to Alabama
563-202-4235
shawna.wagner@sierraclub.org
Letter of Instruction from Plan Owner to Administrator for a Charitable Distribution from an Individual Retirement Account

Dear Sir or Madam:

This letter authorizes you to make a direct charitable distribution from my Individual Retirement Account #__________________________ (Account Number) as provided by Sec. 1201 of the Pension Protection Act of 2006, which was extended permanently in the Protecting Americans from Tax Hikes Act of 2015 and Sec. 408(d)(8) of the Internal Revenue Code of 1986, as amended. Distributions may be sent by check as outlined below:

Check Transfers

Please issue a check in the amount of $__________________________ made payable to the Sierra Club Foundation and mail it to:

Sierra Club Foundation
2101 Webster Street, Suite 1250
Oakland, CA 94612

Tax-ID#: 94-6069890

When you mail the check to the Sierra Club Foundation, please give my name and address as the donor of record in connection with this transfer. Please copy me on your transmittal.

It is my intention for this transfer to qualify as a 2020 tax year contribution. Therefore, it is imperative this distribution be effectuated no later than December 31, 2020.

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

Thank you for your assistance in this matter.

Sincerely,

______________________________________________________________________________

(Signature) (Date)

______________________________________________________________________________

(Name of Plan Owner)