

MAKING A GIFT FROM AN IRA TO CAL POLY

It's Back!

On October 3, 2008, Congress passed a law that revives the IRA Charitable Rollover. In part, the new law allows some people to make charitable gifts directly from a traditional or a Roth IRA.

Specifically:

- You, as the plan owner, must be at least 70 ½ years of age on the date of your gift.
- You may gift up to \$100,000 each year in 2008 and 2009. This limit applies to each person, meaning that if both spouses have IRA plans, each may make gifts up to that limit. Please note that 401(k) plans and other non-IRA retirement plans do not qualify.
- With respect to a traditional IRA, the gift will be counted against your required minimum distribution but will not be counted for income tax purposes. (In exchange, you forego the ability to claim the gift as a deduction.) Roth IRAs are not subject to minimum distribution rules and amounts distributed are not included in income.
- The gift must go to a qualified public charity, such as the California Polytechnic State University Foundation.
- You must make your gift outright. These funds cannot be used to establish a planned gift.

If you do not qualify to take advantage of this new legal provision, but would like to discuss other ways of meeting your philanthropic goals using a retirement account, please contact us at (800) 549-2666 or via e-mail to plannedgiving@calpoly.edu.

Steps for Making a Gift

The process for making a gift using your IRA is straightforward — but it is important to exercise care to assure that your transaction is completed correctly. It is especially important that you avoid having the funds distributed to you personally, as that could trigger income tax to you.

Important note: *Please contact your IRA administrator to ensure they are prepared for your request.*

If you have any questions about the following steps, please contact Cal Poly's Office of Planned Giving and Endowments at (800) 549-2666 or via e-mail to plannedgiving@calpoly.edu. We are always happy to work with you to ensure that your gift reflects your passions and priorities at the University.

To make a gift from your IRA:

1. Contact your IRA administrator to ensure the company is prepared to handle your request.
2. Send your IRA administrator a letter requesting the distribution (See sample below).
3. Send Cal Poly a copy of your letter so we can expect the distribution check and deposit it as you have requested. Send the copy to:
Planned Giving and Endowments
Heron Hall, Building 117
Cal Poly
San Luis Obispo, CA 93407-0444
4. A confirmation will come from Cal Poly when we receive your distribution.

Sample Letter to an IRA Administrator

{Date}

To Whom It May Concern:

You are requested and authorized via this letter to make a charitable distribution from my Individual Retirement Account {# _____} as provided by Tax Extenders and Alternative Minimum Tax Relief Act of 2008, H.R. 1424.

I request that a check be issued in the amount of {\$_____} payable to:

California Polytechnic State University Foundation
c/o Planned Giving and Endowments
Heron Hall, Building 117
Cal Poly
San Luis Obispo, CA 93407-0444

This distribution made to the California Polytechnic State University Foundation (federal tax identification number 20-4927897) is to benefit Cal Poly's {college, department, program or endowment of your choice}.

Please include my name as the donor of record in connection with this charitable distribution.

I am requesting a copy of your transmittal to the California Polytechnic State University Foundation be sent to me.

(If appropriate:) I intend for this distribution to be made during the 200{__} tax year. Please complete the transaction prior to December 31, 200{__}.

Sincerely,

{Your Name}
{Address}