CFSSP
Connestee Falls Student Scholarship Program

The ABCs and 1-2-3s of Retirement Distributions

73 is the magic number when you must start taking distributions from your retirement accounts. Whether you need the money or not, Uncle Sam NEEDS you to pay taxes on those funds. Each year, you have a new RMD (required minimum distribution). But did you know you can avoid the tax by giving that money directly to a charity? It's called a QCD (qualified charitable distribution) and can be used for any donation you would normally make (church, foundation, non-profits).

Even though those RMDS don't kick in till age 73, you can still use your retirement accounts to make charitable contributions if you are over 70 ½. Since the standard deduction is larger these days, most people don't itemize and are not getting the full tax benefit from a direct contribution. But a contribution that comes from a retirement account (QCD) doesn't count as income.

Channeling your donations this way MAY have an impact on the taxation of Social Security benefits and MAY have an impact on your Medicare premiums, all by simply lowering your taxable income. Consult with your financial advisor and CPA to see if this is appropriate for you. Ultimately, it's a way to make your donation dollars go further by taking Uncle Sam out of the picture.

We hope you'll consider the Connestee Falls Scholarship Program (CFSSP) for part of your giving budget. If you want to do this with a QCD from a retirement account, call your financial advisor/broker and give them the following information:

Connestee Falls Student Scholarship Program, Inc.
33 Connestee Trail
Brevard, NC 28712
Tax ID: 56-2069663
Website: www.cfscholarships.org

Any questions? You can contact Nancy Anderson at 601-941-2557 or by email at nanderson@newper.com. The students of Transylvania County and the Board of the CFSSP thank you!