



Qualified Charitable Distribution (QCD)

If you are 70 ½ years or older, you can make a tax-free donation of up to \$108,000 (2025 limit) to Solana Center for Environmental Innovation directly from your taxable IRA (traditional, rollover, or inherited).

Benefits of a QCD:

- Your QCD does not count as a taxable distribution from your IRA, so it does not count as taxable income. This may prevent you from being pushed into a higher tax bracket or a higher IRMAA amount for Medicare.
- Because a QCD reduces the balance in your IRA, it may reduce your RMDs (Required Minimum Distributions) in future years.
- If you are 73 or older, this counts towards your RMD. You can make a QCD in excess of your RMD.

How does a QCD work:

- The money you designate for a charitable donation is distributed by a direct transfer (either by check or electronic transfer) from the IRA trustee (usually a brokerage firm) that holds your IRA to Solana Center. It does NOT qualify as a QCD if you write the check. It must come directly from your IRA to Solana Center.
- Ask your IRA trustee/brokerage what information they need to make the QCD. Often it is the name, address of the charity, and the donation amount.
- If you want the QCD to count towards your RMD for a specific year, it must be made by December 31st of that year.
- QCDs are not tax-deductible as charitable contributions on Schedule A. But, as with deductible contributions, you must get a written acknowledgment of your contribution from Solana Center before filing your return.

If you are interested in making a QCD:

- You should consult your financial or tax advisor.
- Because QCD checks from brokerages do not always name the individual who made the QCD, please notify Angela Calderon, Accounting Manager, via email bookkeeper@solanacenter.org if you plan to make a QCD so that we can be sure to get you the properly written acknowledgment.

For questions related to charitable giving to Solana Center please contact development@solanacenter.org or call (760) 436-7986 x 719