Qualified Charitable Distribution (QCD)

Allows You To:
• Make a gift directly from your IRA.
• Pay no taxes on the transfer.
• Count the gift toward your required minimum distribution (RMD) if you’re over age 72.

How You Benefit:
• If you have already used up your charitable deductions or do not itemize your deductions, you can still make gifts through a QCD.
• You can use QCDs to make any kind of outright gift, including:
  • Gifts to scholarships or other endowed funds
• If you are 72 or over, your gifts count toward your RMD but do not count as income for federal income tax purposes.

How does it work?
If you are age 70 1/2 or older and you would like to make a QCD from your IRA, contact your plan administrator for the appropriate form. You may need to provide the following information:
Legal name: UT Health San Antonio
Federal Tax ID Number: 74-1586031

Planning Tips
• QCDs are tax-neutral for federal tax purposes—you do not have to report them as income, and they are not eligible for charitable income tax deductions. State laws vary, however.
• QCDs cannot be used to establish or add to any life income gift such as a gift annuity or trust.
• If you dream of creating an even greater legacy at UT Health, consider making gifts over multiple years. For example, you could make QCDs over three years to meet the $250,000 suggested minimum for establishing a distinguished professorship.
• If you would like to donate funds currently held in a 401(k), 403(b), or other retirement account, roll them into an IRA first, then make your QCD from the IRA.
• If you leave retirement plan assets to your family or friends after your death, these gifts may be reduced by income and estate taxes.
• To avoid double taxation, leave retirement assets (such as IRA, 401(k), 403(b), or TIAA-CREF plans) to UT Health San Antonio and other charities. Use other assets (such as insurance, stock, or real estate) to make bequests to family members and friends.