



To Our Clients and Friends:

January 24, 2013

## **Qualified Charitable Distributions from IRAs – January 31, 2013 Deadline**

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The American Taxpayer Relief Act of 2012, enacted on Jan. 2, 2013, extended for 2013 the provisions permitting taxpayers age 70½ or older to transfer up to \$100,000 of assets directly from an individual retirement account (IRA) to eligible charities without the transfer being treated as a taxable distribution. Generally, eligible charities are “public” charities (not a private foundation or donor-advised fund). The transfer to charity is counted toward the required minimum distribution from the IRA for the year. Since it is not treated as a taxable distribution, the transfer to charity is not included in the IRA owner’s income and there is no income tax charitable deduction for the transfer. For many charitably-inclined taxpayers, the exclusion from income of the taxable distribution is an attractive result.

In addition, these eligible IRA owners have until January 31, 2013 to make a direct transfer of up to \$100,000 from an IRA, or, if they received IRA distributions during December 2012, to contribute, in cash, part or all of the amounts received (up to \$100,000), to an eligible charity and have the transfer count for tax-year 2012. The taxpayer can choose whether to report a transfer made in January 2013 on his 2012 or 2013 income tax return. If you would like to discuss taking advantage of this opportunity, please contact us as soon as possible.

**If you have any questions concerning the above, please contact Stuart J. Gross (212) 903-8723, David M. Rozen (212) 903-8743, Quincy Cotton (212) 903-8739, JoAnn Luehring (212) 903-8731, or Jessica G. Weinberg (212) 903-8750.**

**Roberts & Holland LLP**