NEED TO KNOW: PHILANTHROPY

When you're retired, there are more ways than ever to donate your money and time to causes most important to you, but it can be hard to figure out the right method to make donations. It can also be hard to tell whether or not the cause you want to donate to is legitimate or not. This guide breaks it all down.

WAYS TO DONATE

• Qualified Charitable Distribution Strategy (QCD)
  ○ These donations are made by using funds in your IRA after you turn 70 1/2 years old. You can transfer up to $100,000 from your IRA per year to a charity and it counts as satisfying an IRA required minimum distribution.

• Donor Advised Fund
  ○ These are charitable accounts set up in your name but held by a large non-profit organization or qualified charity. They allow for cash or assets to be donated into your fund and gives you an immediate tax deduction. The money in these funds grows tax free and donations can happen anonymously. You do not have absolute control over these funds and many times, they require minimums of between $50,000 to $250,000.

• Donate Appreciated Assets
  ○ Donating appreciated stock and property can be some of the most powerful financial gifts. They avoid long-term tax gains and can be written off your taxes.

• Donating as a Part of an Estate Plan
  ○ There are significant tax advantages to donating retirement assets to charity as a part of an estate plan. Charitable donations of retirement assets can minimize taxes on your estate and will directly benefit the charity of your choice.

HOW TO DONATE

• Work with a trusted financial planner and a representative from the charities of your choice.
• Check out the charity using charitynavigator.org to make sure it's legitimate.