



## Qualified Charitable Distributions from IRAs (QCDs)

If you are aged 70½ or above, you can execute a tax-free distribution from your IRA directly to American Farmland Trust. This strategy is a highly efficient method of bolstering the causes you hold dear, supporting our mission while optimizing your tax benefits.

### How It Works

- **Contribution Methods:** You can contribute to American Farmland Trust through a check, wire transfer, or online donation, investing in the future of farmland conservation.
- **IRA Distributions:** You can direct distributions from your traditional or Roth IRA to American Farmland Trust in an amount you choose, up to an annual limit set by the IRS (please note this law does not cover other types of retirement plans).
- **Tax Efficiency:** These distributions go directly to American Farmland Trust and are not subject to federal income tax, thus providing a tax-efficient way to support farmland conservation.

### How You Benefit

- **Satisfy RMDs:** If you're aged 73 or above, your contribution can be utilized to satisfy your Required Minimum Distribution (RMD), helping support farmland conservation at American Farmland Trust.
- **Bypass Income Tax:** This method allows you to potentially bypass the income tax penalty on your distributions, making your gift even more impactful.
- **Immediate Impact:** Witness the immediate effect of your generosity as your gift goes straight into supporting essential conservation initiatives, enhancing the quality of farmland protection and sustainable agriculture.

### Can It Work for You?

A gift through your IRA may be for you if:

- You are over age 70½.
- You are over age 73 and do not need the additional income from your required minimum distribution (RMD).
- You don't itemize deductions or are subject to a rule that limits your deductions.
- You live in a state with no charitable income tax deduction.
- You are no longer working and making contributions to a retirement plan.

### More Information

Example: You are 75 years old, and your adjusted gross income will total \$200,000 this year. You direct a \$100,000 payment from your IRA to American Farmland Trust.

## Scenario

- **Donor:** Individual age 75
- **Withdrawal from IRA:** \$100,000
- **Contribution:** \$100,000
- **Income tax on withdrawal:** \$0
- **Charitable deduction for withdrawal:** \$0

Please note that AFT planned giving cannot render tax or legal advice, and we urge you to consult with your professional advisor about your situation before making a charitable gift.

## Making Your Gift

- **Contact your IRA custodian** and ask them to send the check for a "qualified charitable distribution" to American Farmland Trust to the attention of Planned Giving at the following address:

**American Farmland Trust National Office 1150 Connecticut Ave NW, Suite 600 Washington, DC 20036**

## Please Note

If you're currently employed and contributing to a retirement account, this kind of gift to American Farmland Trust could affect your taxable income. We strongly recommend consulting with a qualified advisor before making such a contribution. Suppose you're under the age of 70½. In that case, you can use your IRA to support American Farmland Trust's mission by withdrawing and donating the post-tax proceeds or designating AFT as a beneficiary of your retirement plan.

It's important to note that Qualified Charitable Distributions (QCDs) can only be made from Individual Retirement Accounts (IRAs). Unfortunately, QCDs cannot be made directly from other types of retirement plans, such as 401(k) or 403(b) accounts. Please consult your financial advisor for potential strategies to roll these funds into an IRA if you want to make a QCD to support American Farmland Trust.