

You Can Now Make Tax-Free Gifts Directly from Your IRA to TAMIU

In August of 2006, Congress passed a law that allows people who are at least 70-1/2 to make gifts directly from their Individual Retirement Accounts to a charity, and avoid paying income taxes on the amounts that are paid. Formerly, any funds withdrawn from an IRA were subject to income taxes, even if they were given to a charity. Here are some summary points about the new law:

<ul style="list-style-type: none">• The provision allowing tax-free charitable gifts is time limited. It will apply to gifts made before December 31, 2007. It also applies retroactively to gifts made earlier in 2006.
<ul style="list-style-type: none">• You must be at least 70-1/2 to take advantage of this provision.
<ul style="list-style-type: none">• The law applies to gifts from IRAs totaling up to \$100,000 in any tax year. Gift amounts over \$100,000 from an IRA are still subject to income tax.
<ul style="list-style-type: none">• Gifts from IRAs do not count in the 50% limitation rule that says that taxpayers cannot deduct more than 50% of their adjusted gross income in any year as charitable contributions.
<ul style="list-style-type: none">• If you have an IRA and would like to make a gift to Texas A&M International University directly from your IRA without ever having to pay taxes on it, simply ask your IRA administrator to write TAMIU a check and send it to TAMIU. You will receive a written gift acknowledgement, which will allow you to avoid income taxes on your gift.

[Sample IRA Contribution Form \(.pdf\)](#)

If you have questions about this new law, please contact [Candy Hein](#), Vice President for Institutional Advancement, 956.326.4483, or e-mail tamiugiving@tamiu.edu

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