

IRAs AND QUALIFIED RETIREMENT PLANS

UPDATED NOVEMBER 2015

Retirement plan assets are some of the most tax efficient assets to transfer to charity upon death. Distributions from most IRAs and qualified retirement plans at the end of your life can be subject not only to income tax, estate, but potentially to other types of taxes as well. By transferring assets in your IRAs and certain qualified plans to Seattle Foundation at death, you can completely avoid any taxation.

Exception: distributions to individuals from Roth IRAs and Roth 401(k) plans are normally not subject to income tax, although they can be subject to estate and generation-skipping transfer taxes.

NAMING SEATTLE FOUNDATION AS YOUR IRA OR QUALIFIED PLAN BENEFICIARY

You can designate Seattle Foundation as your IRA or qualified retirement plan beneficiary. (If designating Seattle Foundation as a recipient of the assets along with a family member, it is preferable to designate the Foundation's share as a percentage rather than a fixed amount.) These funds can be used to establish the charitable gift fund of your choice. To name Seattle Foundation as beneficiary, contact your IRA or qualified retirement plan administrator and request a "change of beneficiary" form. Seattle Foundation's Philanthropic Services team is available to assist you with this process.

USING YOUR IRA TO ESTABLISH A CHARITABLE REMAINDER TRUST

Another option for using your IRA (or other defined-contribution retirement plan) to accomplish your philanthropic objectives is to designate a charitable remainder trust as the beneficiary at the end of your life. In so doing, you provide life income to one or more surviving family members as well as an eventual gift to Seattle Foundation.

Seattle Foundation's Employer Identification Number (EIN) is 91-6013536.

For more information about using IRAs and other qualified retirement plans to achieve your charitable goals, please contact Seattle Foundation's Philanthropic Services team at (206) 515-2111 or philanthropicservices@seattlefoundation.org.

Please note that the information contained herein is not intended to provide specific legal or financial advice and should not be relied upon as a substitute for such professional advice. Seattle Foundation encourages you to seek professional legal, estate planning and financial advice before deciding on a course of action.