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On December 29, 2022, President Biden signed into law the [Consolidated Appropriations Act](#) (P.L. 117-328), which included Division T (SECURE 2.0 Act of 2022). The new law includes a modified version of the Legacy IRA Act to enhance and expand the IRA Charitable Rollover. The specific section that makes this change is entitled “One-time election for qualified charitable distribution to split-interest entity; increase in qualified charitable distribution limitation.”

It permanently indexes the annual IRA Charitable Rollover cap to inflation and allow seniors to make a one-time IRA rollover gift to a charity to fund a life-income plan.

Below, please find a high-level summary of this change in law, some key messages/talking points, and general FAQs.

The law permanently indexes the existing IRA Charitable Rollover amount (currently at \$100,000) starting in 2024. This will be the first increase in nearly 20 years.

The change in law allows seniors starting at 70½ to contribute up to \$50,000 from their traditional IRA account to charities to fund a charitable gift annuity, a charitable remainder annuity trust, or charitable remainder unitrust. The \$50,000 cap can only be used in one calendar year, but within this one-year period seniors can make gifts to multiple charities. The life-income provision takes effect in January 2023 and will be permanent.

The current IRA Charitable Rollover in law allows taxpayers age 70½ or older to transfer up to \$100,000 annually from their IRA directly to a public charity without first having to recognize the distribution as income. It is the fastest growing area of philanthropy.

The Legacy IRA Act will expand the IRA Charitable Rollover by incentivizing seniors to make donations from traditional IRAs through life-income plans, such

The law will _____ who need a lifetime income and want to help a charity. It helps seniors who cannot afford to give away their retirement income during their lifetimes. Because these types of gifts allow seniors to exclude the charitable distributions from income, seniors regardless of itemizing status will _____

- p Starting in 2024, the IRA Charitable Rollover cap of \$100,000 and the one-time life-income plan rollover cap of \$50,000 will be indexed for inflation.

Both of these changes are permanent.

Donors aged 70 ½ or older are limited to a maximum of \$50,000 in one calendar year in their lifetime as qualified distribution. However, within that one year, there is no requirement that the entire amount be

