

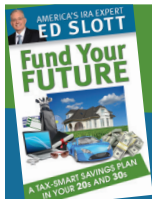


ED SLOTT'S IRA ADVISOR

© 2012 Ed Slott, CPA

November 2012

TAX & ESTATE PLANNING FOR YOUR RETIREMENT SAVINGS



PERFECT LEGACY PLANNING GIFT!

ED SLOTT'S **FUND YOUR FUTURE**

A TAX-SMART SAVINGS PLAN IN YOUR 20s AND 30s
MORE DETAILS ON PAGE 8

WHAT'S INSIDE?

Charitable IRA Rollovers for 2012?

Planning With a Provision That Doesn't Exist

- Current Status of QCDs
- Charitable Contributions and Deductions
- Higher Taxes in 2013
- Using IRA Funds in 2012 to Make Charitable Contributions Without QCDs
- A Brief History of Qualified Charitable Distributions
- Qualifying Charities
- Age 70½ Rule
- Direct Transfer to Charity
- IRAs Only
- RMDs
- Wait-and-See Strategy for RMDs
- \$100,000 Limit
- Special Tax Rules
- Tax Reporting for a Qualified Charitable Distribution
- Advisor Action Plan

- Pages 1-5

Guest IRA Expert

Natalie Choate, JD
Nutter McClennen & Fish LLP
Boston

**Look Before You Leap –
Moving Funds from Plans
to IRAs**

- Pages 6-8

Charitable IRA Rollovers for 2012? Planning With a Provision That Doesn't Exist

As the end of 2012 approaches, clients who are thinking about making a charitable donation for the year might want to use IRA funds to do so. Although the special tax break for charitable IRA rollovers, known as “*qualified charitable distributions*” (QCDs) in the Tax Code expired last year, Congress has discussed renewing this provision and there's a chance it will be reinstated for 2012. This reinstatement could even happen before year-end.

Current Status of QCDs

QCDs will likely not be addressed until late 2012 or early 2013. This wouldn't be the first time Congress took action so late in the year to revive

the QCD provision. Back in December of 2010, Congress took action in the eleventh hour to retroactively reinstate QCDs for 2010, as long as they had been completed correctly.

In addition, Congress also included a provision that allowed QCDs made in January of 2011 to be counted for 2010. Given the fact that similar action by Congress might come, once again, so late in the year, it's possible the law could again include retroactive application or a special rule allowing QCDs made in early 2013 to count for 2012.

Planning strategies are needed now to take advantage of these *potential* opportunities.

SAVE THE DATE
Ed Slott's Exclusive 2-Day IRA Workshop

INSTANT IRA SUCCESS

MARCH 11-12, 2013 — ORLANDO

Register by **January 1** to Save!
Details at **IRAhelp.com**