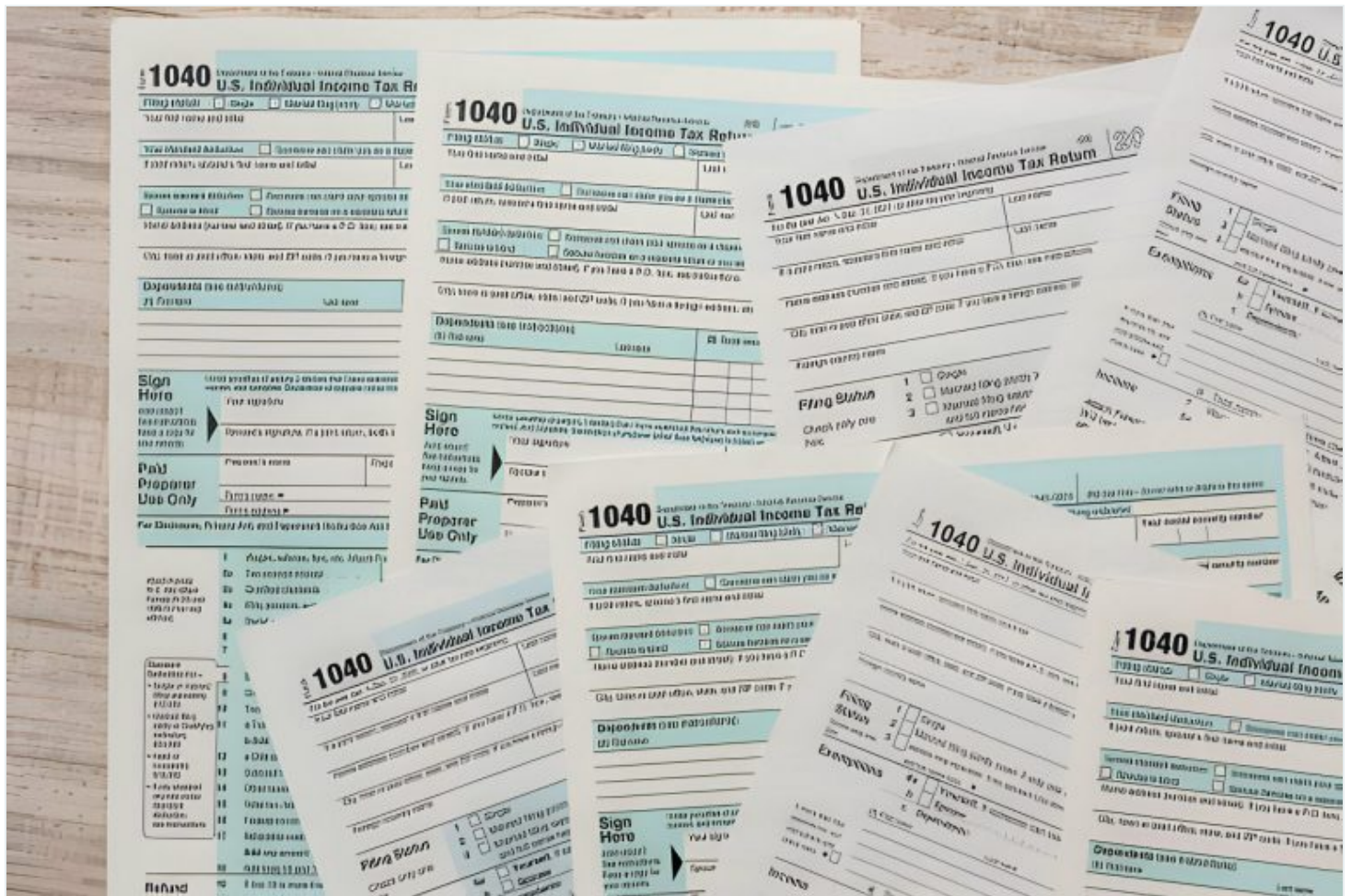


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Feb. 19, 2024



By Joy Taylor, Kiplinger Consumer News Service (TNS).

If you made a qualified charitable distribution (QCD) from your IRA in 2023, reporting it on your 1040 or 1040-SR can be tricky.

Individuals 70½ and older could transfer up to \$100,000 in 2023 from a traditional IRA directly to charity. The cap for 2024 is \$105,000 because the Secure Act 2.0 retirement law provides for annual inflation indexing of the \$100,000 original cap, starting this year. These charitable gifts can count as all or part of your required

minimum distribution (RMD). But you're not taxed on them, and they are not added

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that was transferred directly to charity and report the remainder (even if it's \$0) on line 4b. Write "QCD" next to line 4b so the IRS knows why the numbers don't match. If using tax software, a drop-down box for line 4b should give you a choice to click QCD.

If you itemize on Schedule A, be sure not to deduct the QCD amount. That would be double-dipping.

Similar rules apply to tax-free rollovers from IRAs. Again, the 1099-R will show the figure rolled over from the IRA as part of total distributions. On your 1040, include the full distribution amount on the 1099-R on line 4a. Subtract the rollover and report the remainder, if any, on line 4b. Write "Rollover" next to line 4b.

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