



PHI DELTA THETA Foundation

“Secure 2.0” took effect on January 1, 2023, which may affect your savings and philanthropic giving. It may make it easier for you to make a difference for your family and Phi Delta Theta. How will you be impacted?

Some key things SECURE 2.0 Act of 2022 does that involve charitable giving:

Increases the required minimum distribution (RMD) age

Secure 2.0 increases the age retirees must begin taking taxable withdrawals to 73 in 2023 and 75 by 2033, up from the previous 72. It does not change the age an IRA owner can make a qualified charitable distribution. That age remains at 70½.

How does this affect me?

The extension of the RMD age gives you more time to save, growing tax-free. It also can be meaningful if you do not want to begin withdrawing retirement funds during challenging markets.

Adjusts for inflation the \$100,000 annual limit on direct gifts to qualified charities from your IRA

Are you 70½ or older? If so, you may know about a popular gift option (QCD, charitable rollover, etc.) that allows you to make a gift directly from your IRA to a qualified charity without paying income taxes on the distribution. Historically, the amount you could give was capped at \$100,000 per year. Beginning in 2024, this figure will now be adjusted annually for inflation.

How does this affect me?

This allows you to increase your giving and ensure your giving keeps pace with an ever-growing need. You can make an impact—and see that impact—now rather than after your lifetime.

Allows for a distribution from your IRA to fund a life-income gift

If you are 70½ or older, you can make a one-time election for a qualified charitable distribution of up to \$50,000 (without being taxed) from your IRA to fund a life-income gift such as a charitable gift annuity, charitable remainder unitrust, or charitable remainder annuity trust. Phi Delta Theta Foundation can provide illustrations of what a life income gift might look like for you and your family.

How does this affect me?

These types of life-income gifts allow you to make a gift to a qualified charitable organization, such as Phi Delta Theta and receive lifetime payments to boost your retirement income or provide a lifetime payment for you or your spouse.

Your Foundation team is honored to be your philanthropic partner and we can help answer any questions you might have about how the new retirement laws affect your charitable giving and the impact you can make on a young Phi. Proud to be a Phi!

Yours in the Bond,

W. Andrew Cole
Senior Vice President of Advancement
Phi Delta Theta Foundation
acole@phideltatheta.org
513-523-6345 ext 236