



Volunteers of America®



Increase Charitable Giving through the Legacy IRA Bill

(HR. 1337)

This bipartisan legislation was introduced by **Representatives Kevin Cramer (R-ND)** along with several other original cosponsors including: **Earl Blumenauer (D-OR), Erik Paulsen (R-MN), and Kristi Noem (R-SD)**.

The Legislation

In 2015, Congress passed the PATH Act. This law made permanent the IRA Charitable Rollover provision that allows individuals to make direct tax-free charitable gifts up to \$100,000 from their IRA starting at age 70 ½.

The undersigned groups support H.R. 1337, the Legacy IRA Act of 2017, an expansion of the IRA Charitable Rollover to allow seniors starting at age 65 to make tax-free IRA rollovers to charities through life-income plans (charitable gift annuity or charitable remainder trust). The senior's annual retirement income from the life-income plan is fully taxed.

Background

There are concerns from the nonprofit sector that the Tax Cuts and Jobs Act of 2017 may negatively impact donors who make smaller gifts since fewer taxpayers will itemize. This legislation offers an opportunity for Congress to support charitable giving by providing incentives to middle income taxpayers. It is estimated that seniors have between \$3-\$5 trillion in IRA assets, and they make up approximately at least half of a charity's loyal donors.

The JCT score is only \$106 million, while estimates from development executives indicate the Legacy IRA bill would raise \$1 billion each year for charities.

Supporters

- Alliance for Strong Families and Communities
- American Council for Gift Annuities
- American Heart Association
- Americans for the Arts and Americans for the Arts Action Fund
- American Council on Gift Annuities
- The American Red Cross
- Association of Art Museum Directors
- Dance/USA
- Girls Inc.
- Girl Scouts of the USA
- Goodwill USA
- Jewish Federations of North America
- League of American Orchestras
- March of Dimes
- National Association of Charitable Gift Planners
- The National Catholic Development Conference
- OPERA America
- Salvation Army
- Volunteers of America
- YMCA of the USA
- YWCA USA

If you would like to cosponsor this legislation, please contact Alex McIntyre with Rep. Kevin Cramer (alex.mcintyre@mail.House.gov).

