

Thinking of converting to a Roth IRA?

If you are considering converting all or a portion of your Traditional IRA to a Roth IRA, you can reduce the tax burden by making a charitable contribution of non-retirement account assets to your JCF fund in the same year(s) in which you will recognize the conversion income.

- Were you planning to make a significant donation to a favorite charity as a bequest? If you are converting to a Roth IRA, you can accelerate your gift and make it during your lifetime.
- Were you thinking about creating JCF funds for your children or grandchildren? The conversion

from a Traditional IRA to a Roth IRA may be the perfect time to establish additional JCF funds for family members.

A gift to your JCF fund can entitle you to an income tax deduction of up to 50% of Adjusted Gross Income (AGI) for gifts of cash and up to 30% of AGI for gifts of appreciated securities held for more than one year. In addition, by donating long-term appreciated securities, you avoid paying capital gains tax. Please consult your tax advisor regarding your particular situation to understand if this approach is appropriate for you.

JCF thanks Ronald M. Finkelstein, JD CPA, Partner, Marcum LLP, for his contribution to this article.