

Brand New Tax Benefit For You!

A Bulletin from the Dallas Jewish Community Foundation

A bill signed August 17, 2006 in Washington, D.C. could affect your financial planning.

The Pension Protection Act of 2006

(PPA), signed into law on August 17, permits individuals ages 70½ and over to donate up to \$100,000 from an Individual Retirement Account (IRA) directly through their account's administrator to a qualifying charity without generating any reporting requirements by the donor to the IRS. It is not a deduction, but neither is it taxable income.

This tax bonus is time-limited

It is only available for the remainder of 2006 and for 2007.

To which charities may donors make qualified charitable distributions?

Most contributions to public charities are eligible, but not a gift to a Supporting Foundation or a Donor Advised Fund. **ENDOWMENT FUNDS** at the Dallas Jewish Community Foundation are **A-OK!**

What if I contribute more than

\$100,000 from my IRA to a qualified charity? There is a way to deduct the additional amount, but not under this new law; it will follow the existing tax code. Please consult with your Professional Advisor on strategy if you wish to donate more than \$100,000 from your IRA in either 2006 or 2007. Dallas Jewish Community Foundation experts are also available.

Take advantage of good news from Washington



Your legacy. Our Jewish future.

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At-A-Glance: The Pension Protection Act of 2006

- Allows individuals to support the charities of their choice through an IRA
- The donor must be 70½ years of age or older
- The transfers must go directly from the IRA to qualified charities

Please take this card to your Professional Advisor and ask how the Pension Protection Act of 2006 might make a difference in your plans.

Visit our website at www.djcf.org

or contact our professionals:

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