

TAX WISE GOUGE



TIPS ON TAX FROM CLASSMATE MAX

Tax Wise Gouge

DID YOU KNOW...

You may be able to reduce your taxes and Medicare premiums by “Tax Wise Philanthropy” **AND** support The Class of 1973 50th Reunion Campaign?

How?

Donate all or part of your Required Minimum Distribution (RMD) from your IRAs by executing a Qualified Charitable Distribution (QCD). This donation may be made via a pledge beginning in the year you must take a RMD. If you make a single or multi-year pledge now, it WILL count for The Class of 1973 50th Reunion Campaign, even if your RMD's/QCD gift won't begin until 2024!

Why is this “Tax wise”?

Distributions made directly to you from tax deferred accounts are considered taxable income if they were contributed before being taxed. Since these required distributions add to your adjusted gross income, they may also put you in a higher tax bracket and possibly increase your Medicare premiums.

What will be my Required Minimum Distribution amount?

Tax law recently changed and pushed the start of RMD's to 2024 for many of us. If you turn 73 in 2024, here's how to calculate the estimate. Add together all of your tax deferred account balances and divide the total by 26.5. This estimate may help you decide how much to pledge.

Keep in mind this is an estimate. If you turn 73 in 2024 your actual RMD for 2024 will be based on total tax deferred account balances at the end of 2023. Your RMD will vary each year since your tax deferred balances will change along with the age related IRS distribution period.

If you have already had to begin taking RMD's, your plan administrator/financial institution should be able to tell you your 2023 RMD amount. If that is your case and if you begin your RMD/QCD pledge in 2023 from your IRA, you may reduce your 2023 taxes!

Important note: Every personal tax situation is different so it is strongly suggested you seek the advice of your financial and/or tax advisor.

How do I make the pledge?

Once you've confirmed your game plan with your financial and/or tax advisor, you can use the link below to:

- Make a Distribution online (Available from many providers)
- Prepare and Print a Distribution Letter
- Just send the USNA page to your Financial Advisor
- Read the FAQ'S

<https://usna.planmylegacy.org/ira-qcd>

Or simply contact Dan Quattrini '81 at the Foundation and he will walk you through the process. You may reach Dan at 410-295-4167 or

dan.quattrini@usna.com

When it is time to fulfill your pledge, you can find the necessary form on the USNA link or from your investment advisor/plan administrator.

It is that easy!

Remember, *Time, tide and taxes wait for no man.*

This is an excellent and often overlooked “tax wise” way to support The Class of 1973 50th Reunion Campaign: “Non Sibi – Continuing the Legacy”. **The time to pledge and leave your legacy is now!**

If you have any questions about tax-wise philanthropy, be sure to call Dan or your Financial Advisor. If you would like to know more about our 50th Reunion Campaign, and/or the Color Company Competition, please give one of us a call.

Every Gift Counts...Every Classmate Matters!
Non Sibi

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