Qualified Charitable Distributions
The future of giving
A Qualified Charitable Distribution (QCD) is a distribution from an IRA directly to an eligible charity. Thanks to recent legislation, and depending on your age and experience, making a gift through a QCD may be the best way for you to make a charitable contribution to Cornell.

Key facts
- A tax-efficient way to give
- Donors aged 70 ½ or older are eligible
- Capped at $100,000 annually per individual
- A QCD lowers Adjusted Gross Income (AGI) and income tax liability
- Made from IRAs to 501(c)(3) charities only
- Cannot be made to a donor-advised fund (DAF), private foundation, or supporting organization
- Cannot be made from 401(k), 403(b) or other qualified retirement plans
- Higher tax liabilities and having other benefits taxed or costs increased. QCDs lower AGI and can be more than or less than your RMD (subject to maximum limits). The timing and sequence of distributions are important. The first dollars out of an IRA each year count towards your RMD. If those dollars are received by the IRA owner, it can reduce or even eliminate the benefits of making a QCD later in the year. Distributions received by the owner of the IRA cannot be returned or reclassified.

Adjusted Gross Income-sensitive tax items
- Social Security benefits
- 3.8% Medicare surtax on investment income
- Roth IRA eligibility
- Medicare premium rates
- Child and education-related tax credits

You worked hard to save
Saving for retirement is a rite of passage and a worthy ideal. With steady savings and some good fortune, many individuals will have asset balances that exceed their needs. Managing the distribution of those assets efficiently is an important undertaking.

Recent legislation
Beginning in 2023, the required minimum distribution (RMD) age was raised to 73. These RMDs increase every year and are designed to draw down and extract taxes from the accumulated, tax-deferred balance. In an earlier piece of legislation from 2019, Congress also eliminated the “Stretch IRA.” These changes have opened the door for alternative gift strategies with IRA balances.

Tax implications
The US tax code is full of income-based phaseouts for tax deductions and tax credits. However, no such phaseout or tax-filing status restricts the ability to use IRA assets this way. This means that spouses may distribute up to $100,000 each, annually, to their favorite philanthropic organizations (spouses may each make a QCD from their own IRA within the same tax year for up to $100,000.)

How they work together
Required minimum distributions (RMDs) increase your Adjusted Gross Income (AGI) and put you at risk of higher tax liabilities and having other benefits taxed or costs increased. QCDs lower AGI and can be more than or less than your RMD (subject to maximum limits). The timing and sequence of distributions are important. The first dollars out of an IRA each year count towards your RMD. If those dollars are received by the IRA owner, it can reduce or even eliminate the benefits of making a QCD later in the year. Distributions received by the owner of the IRA cannot be returned or reclassified.

Learn more
Additional resources are available on our website giftplanning.giving.cornell.edu

Cornell’s Office of Trusts, Estates, and Gift Planning
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