



SPR Research and Education Foundation

Foundational Insights Newsletter:
Philanthropic Vehicles

Dear SPR members,

Happy Fall! Wishing you all less heat and humidity as the Summer abates!

The SPR Research and Education Foundation (REF) is increasingly important in supporting research and education activities in Pediatric Radiology. The ongoing staffing shortages and ever-increasing clinical work make support for these activities critical to preserving the future of our specialty.

We hope that the SPR REF is one of the charities you consider supporting. As always, please be sure to consult your investment advisor and estate planning advisor to see how these vehicles apply directly to you.

This letter is the third in a series explaining the various options available to benefit charities that are important to you. The previous letters have covered the use of Donor-advised funds and donating through your will. The prior letters and much more information about the REF can be found at this link: <https://www.spr.org/spr-ref>.

In this letter, we review the use of **Individual Retirement Accounts (IRA)** as a vehicle to be considered at various stages in philanthropic planning.

What is an IRA?

An IRA is an account set up with a financial institution that allows an individual to save for retirement with tax-free growth or on a tax-deferred basis. The 3 main types of IRAs each have different advantages:

- A **Traditional IRA** allows you to make contributions with money that you may be able to deduct from your tax return. Any earnings can grow tax-deferred until you withdraw them in retirement. During retirement, you may find yourself in a lower tax bracket than you were while working, so the tax-deferral means the money may be taxed at a lower rate.
- A **Roth IRA** is an account where you make contributions with money you've already paid taxes on (after-tax), and your money may grow tax-free, with tax-free withdrawals in retirement under certain conditions.
- A **Rollover IRA** involves moving eligible assets from an employer-sponsored plan, such as a 401(k) or 403(b), into an IRA. You contribute money "rolled over" from a qualified retirement plan into this traditional IRA [Ref: Fidelity Investments].

Options for Using an IRA to donate funds:

- **Donate during lifetime** - Individuals who are 70 ½ or older can contribute up to \$100,000 from their IRA directly to a charity and avoid paying income taxes on that amount as a qualified charitable distribution. Using this option contributes to the Minimum Required Distribution that is required at this age and may be one of the **most tax advantageous ways of giving to charitable organizations.**
- **Donate upon death** - Making a charity the beneficiary of a portion of your IRA can be a straightforward process. Your employer, bank, or financial services firm has beneficiary forms and can provide you with language for naming beneficiaries. Assets to designated beneficiaries generally pass directly without going through probate. Having IRA assets pass to charities and letting other non-retirement assets go to your other beneficiaries is generally more tax advantageous for your beneficiaries.

Over the next year, we will continue to outline other giving options that can assure that the charities you care about continue to be supported.

We hope that these letters are helpful to you as you plan your future philanthropy.

Continued happiness and health to you all!

The Campaign for Children Committee

Stuart Royal, Co-Chair

Marilyn Goske, Co-Chair

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[Donate to the SPR REF](#)