

A Qualified Charitable Distribution (QCD) has several advantages that include:

- It could reduce your adjusted gross income and, thus, lower your tax bracket and how much you pay in taxes.
- You can avoid the 25% penalty that is imposed if you don't take your required minimum distribution (RMD).
- You don't have to itemize deductions on your tax return to deduct a QCD from your taxable income.
- A QCD excludes the amount donated from taxable income, which is unlike regular withdrawals from an IRA. Keeping your taxable income lower may reduce the impact to certain tax credits and deductions, including Social Security and Medicare.
- The ability for taxpayers to lower their adjusted gross income is much more valuable than taking an itemized deduction, which merely lowers taxable income.