

**SSM Health St. Mary's Foundation - Madison**  
700 S. Park Street  
Madison, WI 53715

## Giving Smarter: The Power of Qualified Charitable Distributions in 2026

A Qualified Charitable Distribution (QCD) is a direct, tax-free transfer of funds from an Individual Retirement Account (IRA) to a qualified 501(c)(3) public charity—like SSM Health St. Mary's Foundation – Madison. For 2026, this remains one of the most strategic ways for individuals to support local healthcare while maximizing their financial health.

### Eligibility and 2026 Limits

The opportunity to give starts earlier than many realize. While Required Minimum Distributions (RMDs) begin at age 73 (or age 75 for those born in 1960 or later), you become eligible to get a QCD at age 70.5.

### For the 2026 tax year, the IRS has increased the limits to account for inflation:

- Individual Limit: You can contribute up to \$111,000 per year.
- Married Couples: If both you and your spouse are 70.5 or older and you have your own IRA, each of you can gift up to the limit for a combined total of \$222,000.
- Flexibility: You can make one large annual contribution or several smaller ones throughout the year.

### The "Protective Ripple Effect" on Your Finances

When you give directly from your IRA, the distribution completely bypasses your taxable income. This means you receive the full financial benefit of the gift without needing to itemize deductions. Keeping these funds out of your Adjusted Gross Income (AGI) creates significant advantages:

- Social Security: It can prevent your benefits from being pushed into a higher tax bracket.
- Medicare: It can help you avoid costly Medicare premium surcharges (IRMAA).
- RMD Satisfaction: If you are age 73 or older, a QCD counts toward your mandatory distribution for the year without increasing your taxable income.

### New One-Time Opportunity

Under the SECURE 2.0 Act, 2026 offers a unique one-time opportunity to use a QCD of up to \$55,000 to fund a Charitable Gift Annuity (CGA). This allows you to support our mission while securing a fixed, lifetime income stream for yourself—all funded with tax-free IRA dollars.

### How to Give

To ensure your gift qualifies, it must be transferred directly from your IRA custodian to the Foundation. For specific instructions or to discuss how your gift can impact patient care, technology, or clinical education in Madison, please contact us.

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