

# Fall 2021 Donations and Directed Gifts

## Frequently Asked Questions



United Way of  
the Capital Region

- 1. Q. Is my United Way donation tax deductible?**

**A.** Yes, your charitable United Way donation is deductible in the year it is paid to United Way of the Capital Region.
- 2. Q. Can I make a Qualified Charitable Distribution (QCD) from my Individual Retirement Account (IRA) account as a donation to United Way?**

**A.** Yes, you can make a QCD to the United Way if you are 70 ½ or older at the time of your QCD.
- 3. Q. Is my QCD excluded from my taxable income in the year I pledge the funds to United Way?**

**A.** Not necessarily. For the QCD to count towards your current year's Required Minimum Distribution (RMD), the funds must come out of your IRA by your RMD deadline, which is typically December 31st. This is different than a typical donation to a charity where you are able to deduct the donation in the year it is paid to the United Way regardless of when the funds clear your account.
- 4. Q. What records should I keep regarding my United Way donation for tax purposes?**

**A. Payroll deduction gifts:** No receipts will be sent. Please keep a copy of your United Way pledge information, as well as your pay stub, W-2 or other employer documentation.

**Direct Gifts:** Receipts are automatically sent in January to all donors who contribute at least \$250 via cash, check or credit card for the preceding tax year. Please consult your tax advisor for more information.
- 5. Q. Can I direct my United Way donation to another agency and are there any limitations?**

**A.** Yes, you can direct your gift to an active 501(c)3 non-profit organization that is compliant with the Patriot Act. (For more information, please see [www.irs.gov](http://www.irs.gov).)
- 6. Q. What if the organization I designate does not meet the requirements above?**

**A.** United Way of the Capital Region makes numerous attempts to reach your designated agency. If the agency does not respond, United Way will contact you for new instructions. If we are unable to contact you, the monies will be directed to United Way's Community Impact Fund.
- 7. Q. Are there any fees charged for directing gifts to another agency?**

**A. For donations raised and distributed solely by United Way of the Capital Region** your designated agency will receive 95 percent of your gift. For a list of our Cornerstone Partners who make this possible visit our website at [www.uwcr.org](http://www.uwcr.org).

**For regional/national campaigns** where United Way of the Capital Region is the distributor and the donor works outside of our solicitation area, a fee is calculated using the IRS form 990 as dictated by industry and United Way Worldwide standards. For the 2021 campaign, an administrative fee of 17.6 percent will apply to cover management and fundraising costs. Please see your campaign coordinator for campaigns where United Way of the Capital Region is **not** the distributor.
- 8. Q. When will my agency be notified of and receive my directed gift?**

**A.** Agencies can view their donor and payout information at any time via our online portal.

United Way of the Capital Region processes payouts monthly based on pledge collections. Agencies will receive a payment when all collections on gifts directed to them reach or exceed \$100. Payouts for remaining collections, below this threshold, are made quarterly.