

Your client has to take RMD (Required Minimum Distribution) from IRA due to age. He says he donated \$5,000 of it directly to a charity. This counts as a Qualified Charitable Distribution and reduces his taxable portion of the 1099-R. A **qualified charitable distribution (QCD)** allows individuals who are 70½ years old or older to donate up to \$100,000 total to one or more **charities** directly from a taxable IRA instead of taking their required minimum **distributions**.

We will enter this 1099-R as shown below: (if this was a paper return, we would note QCD on line 4b but Taxslayer has no way of noting that yet)

<input type="checkbox"/> CORRECTED (if checked)		Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.	
PAYER'S name, address, city, state, ZIP code HARRIS TRUST COMPANY PO BOX 1389 FAIRVIEW KY 42221-1389		1 Gross distribution \$14,550.00	2018 Form 1099-R
PAYER'S Federal identification number 63-5XXXXXX		2a Taxable amount \$14,550.00	
RECIPIENT'S identification number 305-00-XXXX		2b Taxable amount not determined. <input type="checkbox"/>	Total Distribution <input type="checkbox"/>
RECIPIENT'S name, address, city, state, ZIP code TROY H THOMPSON 30911 BARD ROAD YC YS YZIP		3 Capital gain (included in box 2a).	4 Federal income tax withheld \$1,675.00
		5 Employee contributions /Designated Roth contributions or insurance premiums	6 Net unrealized appreciation in employer's securities
		7. Distribution Code(s) 7	IRA/ SEP/ SIMPLE <input checked="" type="checkbox"/>
		8 Other	%
		9a Your percentage of total distribution	9b Total Employee Contributions
		%	

Copy B Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.

This information is being furnished to the Internal Revenue Service

Whose 1099-R is this?

Recipient *

- TROY THOMPSON
- YVONNE THOMPSON

Payer Information

Payer's ID *

63 - 5000000

Payer Name *

HARRIS TRUST CO

This client will only be taxes on \$9,550 as \$5,000 went to charity—I suggest making a note to put in their file and a note in Taxslayer in case a question comes up in the future as to why you entered \$9550

1099-R Information

1 Gross Distribution *

\$ 14550

2a Taxable Amount

\$ 9550

Does not qualify for Form 8880

Do you need to calculate your taxable amount?

[Click here for options.](#)

2b

Taxable amount not determined

You must also file **Form 8606**, Nondeductible IRAs, **if (and ONLY IF)**

- you made the qualified charitable distribution from a traditional IRA in which **you had basis and received a distribution** from the IRA during the same year, **other than** the qualified **charitable distribution**; **or**
- the qualified charitable distribution was made from a **Roth IRA**.