

Iowa Tax Reform Guidance: IRA Charitable Distribution Deductions

Iowa Governor Kim Reynolds signed Senate File 2417, an extensive state tax reform bill to improve the tax structure in Iowa. The 2018 Iowa Tax Reform Bill includes an updated federal conformity provision beginning with tax year 2018, which allows the same deduction for a charitable distribution from an individual retirement account by certain taxpayers at the state level that is allowed at the federal level.

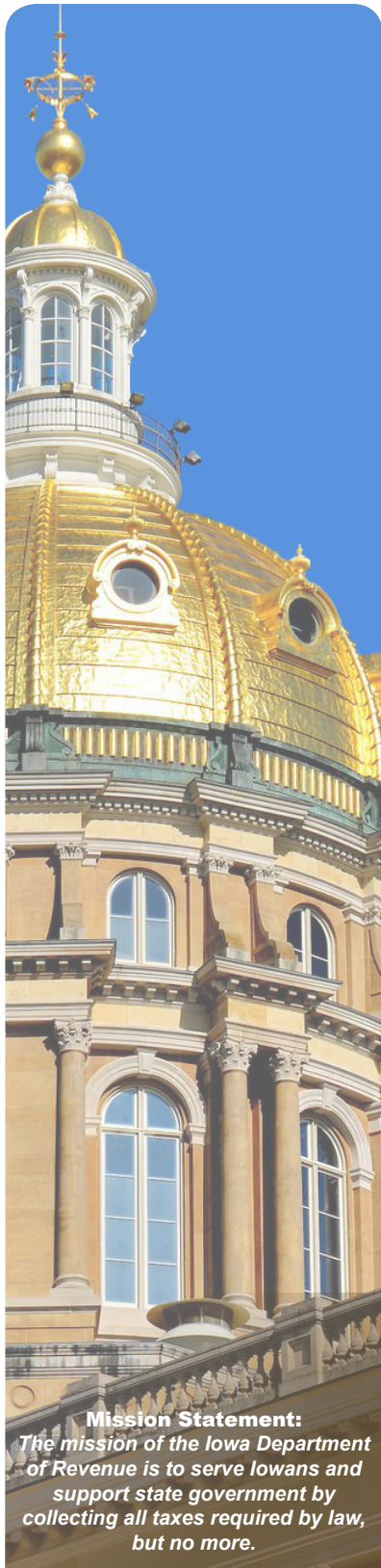
Qualifying for the IRA Charitable Distribution Deductions

Effective January 1, 2018, taxpayers who are at least 70 ½ years of age may deduct from their Iowa income a distribution of up to \$100,000 from an individual retirement account to qualified charities to the same extent the deduction for the distribution is allowed at the federal level. The taxpayer does not have to itemize their deductions to take advantage of this deduction. For tax years 2016 and 2017, this deduction was not allowed at the state level.

Taxpayers who would like to find out more information on IRA Charitable Distribution Deductions should [visit the IRS for additional information](#).

What does this mean?

- Effective January 1, 2018, taxpayers who are at least 70 ½ years of age may deduct from their Iowa income a distribution of up to \$100,000 from a qualifying individual retirement account to qualified charities to the same extent the deduction was allowed at the federal level.



Mission Statement:

The mission of the Iowa Department of Revenue is to serve Iowans and support state government by collecting all taxes required by law, but no more.