

IRA GIFT COVER LETTER

Dear _____

Donating IRA income in 2009 has been made more appealing. Donors at least age 70 1/2 who take distributions from an IRA account and want to support our work can take advantage of a recent temporary tax law change. This law permits donors to contribute up to \$100,000 that is withdrawn from an IRA account and paid directly to a charity, with no Federal tax consequences.

The amount withdrawn and paid by the account administrator to the charity is excluded from federally taxable income for the year. However, no charitable contribution deduction is permitted. Even those who do not itemize are permitted to take advantage of this new law.

The attached form and instructions suggest how you may execute such a gift. **It is very important that you stay in contact with your plan administrator throughout the process to ensure you are not improperly given a distribution which is taxable to you.**

Also, state income tax laws differ, and it is currently unclear how states that impose income taxes will treat IRA charitable distributions. ***You should seek your own professional counsel on these questions, as with all legal and tax matters, since the World Security Institute cannot act as your advisor. We are excited by the opportunities provided by this new law; however, since we are prohibited from serving as you advisor, this message and accompanying materials should not be treated as tax or legal advice.***

Sincerely,

Andrew J. Portocarrero
Vice President for Development