

HR 5171

Legacy IRA Act

Congress: 114 (2015–2017, Ended)

Chamber: House

Policy Area: Taxation

Introduced: May 6, 2016

Current Status: Referred to the House Committee on Ways and Means.

Latest Action: Referred to the House Committee on Ways and Means. (May 6, 2016)

Official Text: <https://www.congress.gov/bill/114th-congress/house-bill/5171>

Sponsor

Name: Rep. Roskam, Peter J. [R-IL-6]

Party: Republican • **State:** IL • **Chamber:** House

Cosponsors (10 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Blumenauer, Earl [D-OR-3]	D · OR		May 6, 2016
Rep. Cramer, Kevin [R-ND-At Large]	R · ND		May 6, 2016
Rep. Paulsen, Erik [R-MN-3]	R · MN		May 6, 2016
Rep. Tiberi, Patrick J. [R-OH-12]	R · OH		May 6, 2016
Rep. Kelly, Mike [R-PA-3]	R · PA		May 17, 2016
Rep. Noem, Kristi L. [R-SD-At Large]	R · SD		Jun 13, 2016
Rep. Nunes, Devin [R-CA-22]	R · CA		Jun 13, 2016
Rep. Smith, Adrian [R-NE-3]	R · NE		Jun 13, 2016
Rep. Hultgren, Randy [R-IL-14]	R · IL		Jul 5, 2016
Rep. Reichert, David G. [R-WA-8]	R · WA		Jul 11, 2016

Committee Activity

Committee	Chamber	Activity	Date
Ways and Means Committee	House	Referred To	May 6, 2016

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
114 S 1159	Related bill	Apr 30, 2015: Read twice and referred to the Committee on Finance.

Legacy IRA Act

This bill amends the Internal Revenue Code to expand the tax exclusion for distributions from individual retirement accounts (IRAs) for charitable purposes.

The bill increases from \$100,000 to \$400,000 the annual limit on the aggregate amount of distributions for charitable purposes that may be excluded from the gross income of a taxpayer.

The bill permits tax-free distributions from IRAs to a split-interest entity until December 31, 2020. A split-interest entity is exclusively funded by charitable distributions and includes: a charitable remainder annuity trust, a charitable remainder unitrust, or a charitable gift annuity. A charitable gift annuity must commence fixed payments of at least 5% no later than one year from the date of funding.

A distribution to a split-interest entity may only be treated as a qualified charitable distribution if: (1) no person holds an income interest in the entity other than the individual for whose benefit the account is maintained, the spouse of such individual, or both; and (2) the income interest in the entity is nonassignable.

The bill limits the exclusion annually to: \$100,000 for distributions to charitable organizations, and \$400,000 for distributions to split-interest entities.

Tax-free distributions to a split-interest entity may be made when the account beneficiary attains age 65. (Under current law, the beneficiary must attain the age of 70-1/2 for IRA distributions to a charitable organization.)

Actions Timeline

- **May 6, 2016:** Introduced in House
- **May 6, 2016:** Referred to the House Committee on Ways and Means.