Reduced Qualified Charitable Distribution by IRA Deduction Worksheet
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Counselor should start this worksheet when the taxpayer or spouse is over age 70½ and makes a deductible IRA contribution.

(print and keep with taxpayer documents; make a note in the software)

Taxpayer name: _____ Year taxpayer turned age 70½: _____

Tax year (post age 70½ and post 2019) A	QCD B	IRA deduction C	Cumulative IRA deduction to offset QCDs *(Add prior year Column F to current year Column C)* D	QCD reduction by IRA deductions *(Lesser of Column B or Column D)* E	Remaining IRA deduction to offset future QCDs *(Subtract Column E from Column D)* F

Spouse name: _____ Year spouse turned age 70½: _____

Tax year (post age 70½ and post 2019) A	QCD B	IRA deduction C	Cumulative IRA deduction to offset QCDs *(Add prior year Column F to current year Column C)* D	QCD reduction by IRA deductions *(Lesser of Column B or Column D)* E	Remaining IRA deduction to offset future QCDs *(Subtract Column E from Column D)* F

Start a new worksheet after IRA deductions have fully offset QCDs (column F is zero).

Refer to [NTTC 4491](#) for a thorough discussion of this topic.

Example of IRA deductions offsetting QCDs for an individual over age 70½:
- Claimed an IRA deduction of $5,000 in 2023
- Made a QCD of $6,000 and claimed an IRA deduction $4,500 in 2024
- Makes a QCD of $6,500 in 2025 (no IRA deduction for 2025)

Tax year (post age 70½ and post 2019) A	QCD B	IRA deduction C	Cumulative IRA deduction to offset QCDs (Add prior year Column F to current year Column C) D	QCD reduction by IRA deductions (Lesser of Column B or Column D) E	Remaining IRA deduction to offset future QCDs (Subtract Column E from Column D) F
2023	0	5,000	5,000	0, no QCD	5,000
2024	6,000	4,500	9,500	6,000 (no remaining QCD)	3,500
2025	6,500	0	3,500	3,500 (net 3,000 QCD)	0 (all used up)

2023: The Counselor starts the worksheet and puts it in the taxpayer's Tax-Aide envelope. The Counselor also makes notes in the software and on the envelope to alert the next year's preparer.

2024: The QCD for 2024 is reduced to zero: the $6,000 QCD is offset by the $9,500 cumulative IRA deductions for 2023 and 2024. Thus, none of the taxable IRA distribution qualifies as a QCD. The 2024 IRA distribution is taxable and the taxpayer can claim an itemized deduction for the $6,000 charitable contribution. The taxpayer also claims their IRA deduction. There remains $3,500 of IRA deductions that have not been used to offset QCDs at the end of 2024 (column F).

2025: The $6,500 QCD in 2025 is reduced by the remaining $3,500 of IRA deductions leaving $3,000 of available QCD in 2025. The taxable amount of the IRA distribution is reduced by the available QCD of $3,000. The taxpayer can claim an itemized deduction for the charitable contribution that is not a QCD ($3,500).

Since the cumulative IRA deductions have reduced QCDs, there remains no amount to reduce future QCDs as of the end of 2025 (column F is zero). This worksheet is complete and will not be used for later years (though it may be carried forward for reference).

Make a note in the software and keep it for future years so that future QCDs are not reduced for IRA deductions already offset.

If and when the taxpayer takes an IRA deduction in a later year, start a new worksheet and carry it forward year to year as applicable.