

ASK DOW JONES | *By Tom Herman*

Q: When Congress passed a law last year to allow persons 70½ and older to donate to charities up to \$100,000 from their IRA accounts without paying tax, did they make it for two years only? Or is there a chance it will be effective for 2010 also?

B.L., Glen Allen, Va.

A: On your first question, the answer is yes. That legislation does indeed apply to both 2008 and 2009, says Tim Hanford, a tax consultant in Bethesda, Md. It also applied to 2006 and 2007, he says, but Congress last year extended it through 2009.

But since that law is very popular among charities, there is a strong possibility Congress will extend it beyond 2009 at some point. Charities say this provision has enabled them to collect large amounts of donations they might not otherwise

have received.

Our reader is asking about a law that allows people who are 70½ or older to transfer as much as \$100,000 a year directly from an individual retirement account to a qualified charity without having that money considered as taxable income.

"You do not include the distribution in your income," the Internal Revenue Service says. Just make sure your transfer is done directly to the charity. For more details, see IRS Publication 590 (www.irs.gov).

Q: Someone made a donation to a tax-exempt organization in my name. Who gets to take the tax deduction—the donor or me?

R.A., Estes Park, Colo.

A: The charitable deduction would belong to the person who actually made the donation, not the person in whose name