



## THE CARES ACT: CHARITABLE GIVING RESOURCE GUIDE

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U.S. Congress has passed the Coronavirus, Aid, Relief, and Economic Security (CARES) Act and the president has signed it into law. In addition to providing financial relief to individuals and business owners, the law impacts charitable giving. This resource guide highlights the changes that may impact you and your family.

- If you take the standard deduction on your 2020 tax return, you can claim a brand new "above-the-line" deduction of up to \$300 for cash donations to charity you make this year. Donations to donor advised funds and certain organizations that support charities are not deductible. Reminder: the standard deduction is \$12,400 for singles or \$24,800 for married-filing jointly in 2020.
- The CARES Act impacts owners of Individual Retirement Accounts (IRAs) by providing a temporary waiver of Required Minimum Distributions (RMDs) for 2020, allowing IRA owners age 72 and older to keep funds in their IRAs and other qualified retirement plans. You may still make direct distributions to charity from your IRA, just as before, IF it makes financial sense for you to do so.
- Itemizers can deduct more of their charitable cash contributions this year. If you itemize on Schedule A of your tax return, you can claim a deduction for your charitable donations. However, the amount you can deduct for cash contributions is generally limited to 60% of your adjusted gross income (AGI). The CARES Act lifts the 60% of AGI limit for cash donations made in 2020. As with the new above-the-line deduction, donations to donor advised funds and supporting organizations don't qualify.
- The new law, coupled with current financial uncertainty, has created an appealing climate for those concerned about their income from investments. Contact us if you would like to learn more about how you can transfer assets (cash, securities, real estate, etc.) into a secure income stream for yourself and/or family members.
- If you're thinking of updating your estate plan, you may find our [Legacy Planning Guide](#) helpful. Click the link or contact us for a mailed copy.

QUESTIONS?  
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