



SAINT MARTIN DE PORRES

CLEVELAND'S CRISTO REY HIGH SCHOOL

Thank you for considering Saint Martin de Porres among your year-end philanthropic priorities. We are pleased to provide a reminder of important changes to tax law under the **CARES Act**. For more information, please contact Suzanne Gaul at 216-973-3303 or sgaul@stmdphs.org. Once again, thank you for all you do for Saint Martin.

CARES Act

In March 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law. The intent of the act is to bring financial relief to those individuals and businesses that have been impacted by the COVID-19 pandemic. Included in the act are provisions intended to stimulate charitable giving and to provide more flexibility with retirement accounts.

Key Changes:

Cash Gift – The CARES act enables a taxpayer who takes the standard deduction to still benefit from his or her charitable gifts. A \$300 above-the-line deduction is now available for gifts of cash by someone who does not itemize, but the gift may not be to a donor advised fund or supporting organization.

100% Charitable Deduction Limit – For 2020, gifts of cash to charities (excluding donor advised funds or supporting organizations) are deductible up to 100% of adjusted gross income (AGI). The gift may be for any charitable purpose and is not limited to gifts for Coronavirus relief. This is an increase from the 60% (AGI) deduction limit for cash gifts to public charities.

Required Minimum Distribution (RMD) Waiver – The RMD is waived for IRA and other qualified retirement plan owners for the year 2020. This provision will permit IRA and other qualified retirement plan owners to retain funds in their IRAs; however, benefactors will still have the option to make IRA charitable rollovers of up to \$100,000 in the calendar year from their IRA.

Increased Charitable Deduction Limit for Corporations – The CARES Act increased the percent limitations for charitable deductions for corporations from 10 to 25 percent of the corporation's taxable income for 2020.