Tips for your 2020 year-end philanthropic planning

A Larger Gift of Cash in 2020 Could be a “Win Win”
Your cash gift in 2020 can provide much needed support for CWRU and can also be deductible up to 100% of your adjusted gross income (reduces to 60% in 2021).
In addition to a gift of existing cash, you might consider:
- Selling stock and contributing the cash proceeds
  - Capital gains on a sale of appreciated stock might be completely offset by the 100% AGI charitable deduction limit (only 30% for a stock contribution)
  - Capital loss on a sale of depreciated stock can offset gains, and your cash contribution can also offset other income up to 100% of your AGI
- Making a taxable withdrawal from your IRA and contributing the cash proceeds
  - The 100% AGI charitable deduction could offset the federal income tax

The IRA Charitable Rollover Is Still Available in 2020
While Required Minimum Distributions (RMDs) are not required this year, if you are over 70 1/2 and own an IRA, you can still direct up to $100,000 to be distributed to a public charity like CWRU, with no income tax consequence to you. This is still an excellent way to make a charitable gift this year. In addition, since deferral of your RMD this year could mean a larger RMD next year, a gift from your IRA in 2020 could be a useful strategy to avoid a bigger tax bill next year.

Other Ways You Can Make a Difference and Create a Legacy
- Make a gift of cash or stock
- Designate CWRU as a beneficiary of your life insurance policy, retirement plan or investment account
- Recommend that your donor advised fund make a gift to CWRU
- Establish a named endowment with a gift or pledge to CWRU and create your legacy.
- Call us to learn about other gift strategies, including gifts that can pay you an income stream for your life, with the remainder of your gift passing to CWRU

Plan Your Year-End Giving Now
Financial institutions need time to transfer assets, so plan ahead. To ensure that your gifts are effective in 2020, we recommend you confirm year-end deadlines of financial institutions and administrators for transfers of cash and stock, charitable rollovers, and DAF distributions. We can also provide transfer instructions to ensure your gifts are allocated properly upon receipt.

CARES Act and 2020 Charitable Giving Incentives—Expanding 12/31/20
The Coronavirus Aid, Relief and Economic Security Act, known as the CARES Act, was signed into law in March of this year and includes important tax incentives that will expire on December 31, 2020:
- If you do not itemize: Your CASH contributions to public charities such as CWRU are deductible “above the line” up to $300 (a dollar for dollar reduction of your taxable income).
- If you itemize: Your CASH contributions to public charities such as CWRU can be deducted up to 100% of your adjusted gross income (AGI) (an increase from 60%).
- Corporations: Corporate contributions of CASH to public charities such as CWRU are deductible up to 25% of taxable income (an increase from 10%)
- No RMD requirement: Individuals who would have otherwise been required to take a RMD from their retirement plan in 2020 are not required to do so. Retirement assets are still an excellent source for charitable giving, during your lifetime or as part of your estate plan.

Be Strategic
Call To Learn More
Ask For Ideas
Create Your Legacy