

Charitable Benefits of the CARES Act

The CARES (Coronavirus Aid, Relief, and Economic Security) Act was signed into law in April and it allows taxpayers to take a larger deduction for charitable gifts than would normally be available. Specifically:

- For individuals, it increases the limit on deductions for cash contributions to public charities from 60% of the individual's adjusted gross income to 100%.
- For corporations, it increases the income limits on the deduction for charitable cash contributions from 10% of the corporation's taxable income to 25%.
- Allows taxpayers who do not itemize their deductions to deduct up to \$300 of cash contributions to public charities with an above-the-line deduction beginning in 2020. This provision applies to all years going forward.

These tax advantages are yet another good reason to make a gift to the Skyline Foundation or before 2021 ends!

The tax information provided is general and educational in nature and should not be construed as legal or tax advice. When making a decision, please contact a tax professional for more information.