



GUTHRIE
THEATER

A Good Year to Give Generously

Thanks to the Coronavirus Aid, Relief and Economic Security Act, known as the CARES Act, taxpayers can receive significant benefits for their charitable giving in 2020.

For taxpayers who DON'T itemize

You may deduct up to \$300 in annual charitable contributions (\$600 for a married couple filing jointly). This universal deduction reduces your adjusted gross income and therefore reduces your taxable income.

For taxpayers who DO itemize

Individuals may deduct donations up to 100% of their adjusted gross income (up from 60%), and corporations may deduct up to 25% of their taxable income (up from 10%). These changes do not apply to gifts to private foundations.

Good to know

- Both benefits apply to the 2020 tax year, so gifts must be made by December 31, 2020, to be eligible.
- The \$300/\$600 non-itemized deduction is expected to extend beyond 2020.
- Donations do not need to be related to COVID-19 relief efforts.
- Contributions must be made to qualified charitable organizations and be cash only (no property or other assets).
- These benefits do not apply to donor-advised fund donations.