



SAMPLE Briefing Points to Share with Your Constituents

The U.S. Congress has passed the Coronavirus, Aid, Relief, and Economic Security (CARES) Act and the president has signed it into law. We have received numerous inquiries from our donors about its impact on supporting our and other charitable causes, so I have created these notes to help you as you consider the best way and the best time for your continued financial support of our mission. Thank you very much for caring. You're welcome to contact me with questions at any time.

- ✓ The law allows an above-the-line income tax charitable deduction up to \$300 (\$600 for a married couple) even if you don't itemize your 2020 income tax return. The break is available to people who claim the standard deduction, which is \$12,400 for singles or \$24,800 for married-filing jointly in 2020. This provision was inserted specifically to encourage charitable giving this year.
- ✓ 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. The decreased value of their portfolios may motivate some people to keep funds in their accounts temporarily, waiting to see what happens in the investment markets. You may still make direct distributions to charity from your IRA, just as before, if it makes financial sense for you to do so.
- ✓ For the 2020 tax year only, donors may elect to apply a 100% of adjusted gross income (AGI) limit to cash gifts to public charities. Gifts to donor advised funds (DAFs) don't qualify. This means that in 2020, a donor who deducts 30% of AGI in long term appreciated property gifts and elects the 100% of AGI limit for qualified cash contributions will be able to also deduct up to 70% of AGI for qualified cash gifts, a total deduction of up to 100% of AGI. If this donor uses all available deduction for qualified cash gifts, that donor will pay no federal income tax in 2020.
- ✓ The new law, coupled with current financial uncertainty, has created an appealing climate for those concerned about their income from investments. Please let me know if 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 others (NOTE to Sender: Charitable Gift Annuity)
- ✓ Recent steps taken by the Federal Reserve Bank on federal lending rates have made certain charitable gift strategies more appealing than they have been in some time. Please let me know if would like to learn more about how you can reduce the size of your taxable estate

while planning for a transfer to heirs, all while making a sizable gift to our mission (NOTE to Sender: Family Charitable Lead Trust)

- ✓ If you're thinking of updating your estate plan, please consider including a gift to (nonprofit).

In the meantime, this is a good time to just stay in touch. Feel free to reach out to me with questions about our programming and plans, to discuss those things we do that are of most interest to you. I'll be glad for your company.

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