



Community Options,

Supporting People with Disabilities since 1989

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Robert Stack
President/CEO

CARES Act brings changes to incentive charitable giving

As part of the CARES Act, changes to tax benefits were made to incentivize charitable giving.

\$300 Cash Contribution Deduction. Beginning in 2020 and each year thereafter (this is not limited to only 2020), individuals can take a \$300 above-the-line deduction for cash contributions to charities, regardless of whether or not the individual itemizes deductions.

Enhanced Charitable Contribution Limits for Individuals and Corporations. Generally, individuals that itemize deductions are limited with respect to the amount of deduction available for charitable contributions made during the year. These limits are typically determined by a percentage of the individual's adjusted gross income (AGI). Corporations are subject to similar restrictions limited by the corporation's taxable income. As a result of the CARES Act, for individuals that itemize, the 60% of adjusted gross income (AGI) limit that previously applied for qualifying cash contributions to public charities will not apply for 2020. Thus, individuals will be eligible for a deduction up to 100% of AGI for 2020 for qualifying cash contributions. For corporations, the 10% limit on deductions for charitable contributions has been increased to 25% of taxable income.

The new charitable giving incentives under the CARES Act will only apply to cash donations, not donations of stock, real estate or other non-cash types of property. In addition, the contributions must be to public charities, like Community Options Inc. – not private foundations or donor-advised funds.

For additional clarification, we suggest you consult with your accountant. Please make all contributions payable to Community Options Inc. We are a 501 (c) (3) nonprofit corporation.

Sincerely,

Robert Stack

President & CEO