

Enhanced Incentive For Charitable Giving

The CARES Act enacted by Congress and the President in March of this year is providing individuals an opportunity to increase their charitable giving for the 2020 tax year by increasing the tax deductions for charitable donations. We encourage you to consider our parish for your charitable donations this year and avail yourself of this incentive. Our parish has been a source of much needed support for our fellow parishioners who have been adversely affected by the pandemic, and we have utilized our resources to provide assistance. Your generosity will be greatly appreciated.

Provided below are links to both the Diocese of Metuchen and IRS websites which contain much detail, but the key points are as follows:

□ Individual donor benefits:

◇ All taxpayers (both those who itemize and those who use standard deduction) can deduct up to \$300 of total charitable contributions in 2020. Prior to the CARES Act, those who use standard deduction could not deduct any charitable giving. □ Additional benefits for those who itemize their taxes:

◇ The law lifts the existing cap on annual contributions for those who itemize their taxes, significantly raising it from 60% of adjusted gross income to 100% of adjusted gross income.

□ Incentives for corporations:

◇ The CARES Act raises the annual limit of charitable giving that corporations can deduct from 10% of taxable income to 25% of taxable income.

Please refer to the links below for additional information:

□ <https://diometuchen.org/cares-act> □ [https://www.irs.gov/charities-non-profits/charitable-](https://www.irs.gov/charities-non-profits/charitable-organizations/charitable-contribution-)

deductions

This communication is for informational purposes only and is not to be considered legal or tax advice.

Please consult with your accountant or tax advisor with regard to such matters.