

CARES Act of 2020



What Does it Mean?

The CARES (Coronavirus Aid, Relief, and Economic Security) Act is designed to help you, businesses and nonprofits facing economic hardship during the COVID-19 pandemic. As a reminder, the CARES Act is only in place for calendar year 2020.

Here are a few key provisions of the CARES Act that you should know as they relate to Charitable Goals.

Required Minimum Distributions (RMD)

The new law suspends the mandated IRA payout known as RMD for the 2020 tax year. This may be a welcome relief as many retirement accounts have been affected by the recent market downturn. However, there are no restrictions if you want or need to receive distributions from your retirement accounts/IRAs.

Qualified Charitable Distribution (QCD)

The rules remain in place for this, which is commonly referred to as a Charitable Rollover (ie, those 70 1/2 years and above, with a transfer given directly from your administrator to the OSU Foundation and a maximum gift of \$100,000). This type of transfer generates neither taxable income nor a tax deduction, so you benefit even if you do not itemize your deductions.

Itemizers

For our Cowboy Family who do itemize their deductions, the new law allows for cash contributions to the OSU Foundation to be deducted up to 100% of your adjusted gross income for the 2020 calendar year.

Non-Itemizers

The CARES Act has a new charitable incentive. For those who will utilize the standard deduction: if you contribute to a qualified charitable organization you will be awarded a \$300 “above the line” deduction, on your 2020 tax return.

This will provide a nice tax bonus for you, as well as critical assistance for our OSU students in need.

This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax or legal advice. **You should consult your own tax, legal and accounting advisors before engaging in any transaction.**

Office of Gift Planning

The OSU Foundation has a dedicated team trained in estate planning who are able to help people unite their passions with university priorities to create a meaningful legacy. Contact us today to learn more about how we can help you achieve your dreams. Your safety and wellbeing are of paramount concern during these uncertain times. Virtual meetings are available!

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