

## CARES Act Expands Charitable Giving Options

Covid-19 concerns have created shockwaves for our community, state, nation and the world. We pray for all those affected and those who are helping to bring care and healing to people in need.

At HMS, the school hallways are quiet but we are grateful for adaptive faculty and staff who have adopted new methods for homebound learning delivery to students and for operational strategies that continue payroll and basic functions our employees count on to sustain their families, too.

**The HMS community and our students were not spared by the impact of the Coronavirus and now urgently welcome your support. Some have asked how they can help HMS right now.**

The recently enacted government stimulus bill (the "CARES Act") provides significant tax relief for donors to support causes and organizations impacted by the Coronavirus.

### Highlights from the CARES Act for HMS Donors:

- **Universal Charitable Deduction** — For 2020, there is an above-the-line charitable deduction for non-itemizers, for cash gifts up to \$300 (this excludes gifts into donor-advised funds).
- **Suspended Adjusted Gross Income Limits** — For 2020, current AGI limits for charitable deductions for cash gifts made by individuals and businesses are suspended. This provision excludes gifts into donor-advised funds. The new deductions limits are:
  - **Individuals:** Total charitable contributions can be deducted up to 100% of a donor's adjusted gross income (previously up to 60%).
  - **Corporations:** Charitable contributions can be deducted up to 25% of taxable income (previously up to 10%).
- **Individual Financial Support** — Individuals receive direct payments of up to \$1,200/taxpayer plus \$500/child. If you do not need the payments, please consider donating them to HMS and charities close to your heart.
- **Suspended IRA RMDs** — Although required minimum distributions have been suspended for the year 2020, donors may still authorize a qualified charitable distribution for up to \$100,000.

**Many friends of HMS have given in tax-advantaged ways direct from IRAs, through stock or other securities in recent years. Our annual operational costs remain.** Though slightly curtailed by shut down of buses and lowered heating costs during our closure, operating costs are not fully covered by tuition.

With this knowledge, we invite you to give, as you are led:

- By check or online ([www.hinkletownschool.org/ways-to-give](http://www.hinkletownschool.org/ways-to-give))
- For stock, other security gifts or options above – call or email Jody Fausnight for brokerage info and details (717-545-7235: home office, [jfausnight@hinkletownschool.org](mailto:jfausnight@hinkletownschool.org)).

Other ways to give, which friends of HMS have utilized in recent years with impact and varied tax advantages (contact your tax advisor for guidance on your particular opportunities):

- Gifts of appreciated securities (stock or mutual fund shares)
- Donor advised fund gifts (established through Everence, Fidelity, etc.)
- Family or community foundation gifts
- Planned (future) gifts from a will or estate plan
  - Wills, trusts, or proceeds from either to charity after caring for family needs
  - Charitable gift annuities can provide lifetime income payments and a tax deduction at time of gift
  - Designated gifts of life insurance proceeds
- Qualified Charitable Distributions direct from an IRA or other similar retirement account