

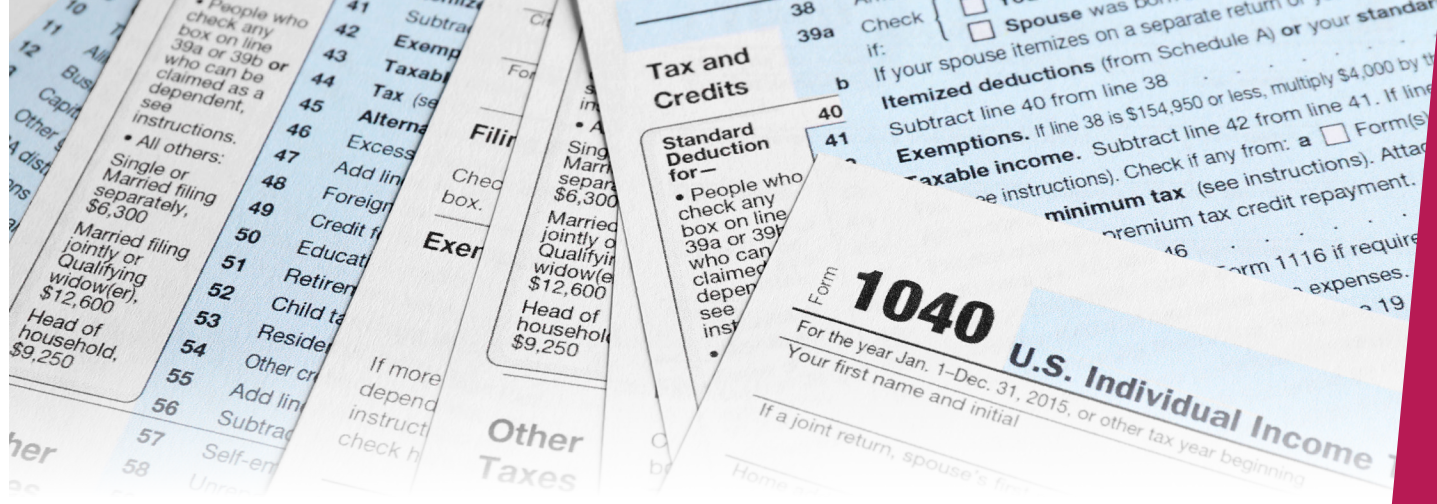
Under the new tax laws it is expected that 94% of Americans will no longer itemize due to the increase in standard deductions.

2019 Deductions

- Single - \$12,200
- Head of Household - \$18,350
- Married Filed Jointly - \$24,400

In order to take full advantage of the new higher standard deductions and contribute to your favorite charities you could consider:

- Donor Advised Funds (DAF) or
- Qualified Charitable Distributions (QCD)



DONOR ADVISED FUND

DAF

A DAF is a charitable investment account for the sole purpose of supporting charitable organizations. It is the fastest growing charitable giving vehicle for cash and non-cash donations in the United States. The DAF when coupled with “bunching” or “doubling up” your itemized deduction can prove to be an easy tax savings way to donate to charities.

WHY

- Immediate tax deduction the year you contribute to the DAF
- Once the DAF has been established, the donor can make contributions to charities out of the fund’s assets at any time.
- Cash Donations - cash donations via cash, check or wire transfer generally are eligible for an income tax deduction up to 60% of adjusted gross income (AGI).
- Long-term appreciated assets - securities potentially allows a donor to maximize capital gains tax advantages, which could help reduce taxes and ultimately give more to charities. Long-term appreciated assets, such as stocks, bonds or real estate, have an opportunity to further maximize the donors deduction. By donating these types of assets directly to charity, a donor generally doesn’t pay capital gains tax and can take an income tax deduction for fair market value, up to 30% of your AGI.

QUALIFIED CHARITABLE DISTRIBUTIONS

QCD

Individuals 70.5 years of age or older are able to transfer funds from a traditional IRA directly to a qualified charity. QCD can be counted towards satisfying the required minimum distributions (RMDs) for the year.

WHY

- In addition to the benefits of giving to charity, a QCD is not taxable income.
- Keeping taxable income lower may reduce the impact to certain tax credits and deductions, including Social Security and Medicare.
- QCD does not require itemization. Donors may decide to take advantage of the higher standard deduction, but still used a QCD for charitable giving.
- Maximum annual amount that can qualify for QCD is \$100,000. This applies to the sum of QCDs made to one or more charities in a calendar year. (For jointly filed tax returns, both spouses can make a QCD from his or her own IRA within the same tax year for up to \$100,000 each.)