

IDEAS FOR GIVING and Moving Forward in 2020

Oklahoma City University continues to move forward with our mission. In the midst of all that is going on, many of our donors and friends of Oklahoma City University are looking forward to the future when we all may enjoy community with friends and resume our regular activities.

TAKE ADVANTAGE NOW of this page that offers resources to assist you with your tax planning, as well as to offer ideas for you to consider when making your gift to impact OCU student lives during this time.

CARES ACT

This recently passed law includes several charitable tax provisions to encourage giving.

These include:

- 1) Individuals/couples who do not itemize may take a tax deduction for **CASH** gifts of up to **\$300** per tax-filing unit. For example, married taxpayers who file a joint return and do not elect to itemize deductions are allowed to deduct up to a total of \$300 in qualified charitable contributions on the joint return.
- 2) An increase in the deduction limit from 60% to **100%** of adjusted gross income.
This applies ONLY to CASH gifts in 2020. If you make a gift you will be able to deduct more this year. Gift amounts beyond **100%** of an individual's/couple's adjusted gross income may be applied up to five additional years. This provides an opportunity for additional tax savings for individuals/couples to make larger gifts.



FORWARD Planning

In Times of Uncertainty

BENEFITS FOR YOU

Individuals and Couples **\$300** per tax-filing unit

For example, a couple in a 20% tax bracket may give **\$300** and reduce their tax liability by \$60. Oklahoma City University receives **\$300** and the couple pays \$60 less in taxes.

Charitable Cap Increase

This applies only to cash gifts in 2020. An increase in the deduction limit from 60% to **100%** of adjusted gross income.

For example, an individual/couple making a gift of **\$100,000** in one year and has an adjusted gross income of **\$100,000** for that year, there would not be any income tax liability. If the gift were **\$130,000**, the donor could claim a deduction of **\$100,000** in the first year and carryforward a deduction of **\$30,000** in the following year.

SECURE ACT

The **SECURE Act** increased the age for retirement account owners to begin required withdrawals from their qualified Individual Retirement Account (IRA) to age 72. Benefactors can still begin making IRA charitable rollovers (also called qualified charitable distributions) at age 70½.

If you planned to benefit your children with your **IRA**, your heirs may now pay higher taxes on the inheritance they receive from you. When you revisit your estate plan, consider funding a testamentary charitable remainder unitrust with your **IRA** balance. This plan may provide lifetime payments to your heirs and spread out the taxes on their inheritance.

CHARITABLE GIFT ANNUITY

If you are concerned about your financial security given the ups and downs of the stock market, you may want to consider making a gift to fund a charitable gift annuity. **You can exchange your low-performing stock, CDs or cash for guaranteed, lifetime fixed payments.** If you make a gift of an appreciated asset, you will not have to pay capital gains when you fund the annuity. You may also benefit from a tax deduction this year and a portion of your payments could be tax-free.