

Important News for Beaumont Health Foundation Supporters

The CARES Act and Year-End Charitable Giving Ideas

The year 2020 has been filled with uncertainty and we have been distracted from our normal routines. However, there is still time to consider some year-end charitable giving ideas. Following is information on the CARES Act, with some expiring tax provisions, and other year-end charitable giving ideas.

CARES Act

The 2020 Coronavirus Aid, Relief, and Economic Security (CARES) Act created some tax breaks specifically related to charitable giving that are effective only for 2020.

- The Act provides a \$300 “above-the-line” charitable cash contribution deduction if you do not itemize your deductions (joint return filers can deduct only \$300).
- The Act also increased the charitable contribution deduction limit, if you itemize deductions, to 100% (from 60%) of adjusted gross income for cash gifts.
- Gifts to donor-advised funds and private foundations are not eligible for the tax breaks.



Qualified Charitable Distributions (QCDs)

If you are age 70 ½ or older, you might consider making a qualified charitable distribution (QCD), up to a maximum amount of \$100,000, from your IRA. If your spouse has an IRA, each of you can make a QCD up to \$100,000. You receive a tax benefit because the QCD is not included in your taxable income.

Prior to 2020, the QCD offset the tax effect of any required minimum distributions (RMDs) from your IRA. The CARES Act suspended the requirement to make RMDs for 2020 only. Despite the suspension, you will still receive a tax benefit if you make a QCD whether or not you itemize deductions.

Appreciated Securities

Although the financial markets have been volatile in 2020, it is likely that your portfolio has some investments with appreciated values. It is a simple process to make a gift of appreciated securities and there are tax benefits that can be realized.

- It is generally better to give appreciated securities than cash because you can avoid capital gains tax and, if you itemize your deductions, you will receive a charitable income tax deduction measured by the fair market value of the securities.
- If you like the investment, you can use available cash to replenish your portfolio with the same securities with a stepped-up cost basis.

Other Considerations

You may have a donor advised fund (DAF) to which you make charitable contributions. While year-end is a good time to consider a contribution to your DAF, it is also a good time to consider how to spend the funds from your DAF by advising the DAF about distributions to your favorite charities, such as, Beaumont.

Finally, year-end is a good time to evaluate where you stand with your philanthropic goals and your tax and financial positions as they relate to the timing of charitable deductions. You should consult with your financial and tax advisors.

A Reminder to Support Patient Care With a Year-End Gift to Beaumont Health

During this incredibly challenging year with COVID-19 infections again on the rise, it is very important to know that **you** are there to help physicians, nurses, and other front line caregivers to fulfill our mission of compassionate, extraordinary care every day to the patients and communities Beaumont serves.

That need increased significantly during 2020 as Beaumont treated more than 70% of Michigan's COVID-19 patients during the initial surge. That same need continues to grow now as the Beaumont team helps the growing number of COVID-19 patients seeking treatment during the holiday season.

While the pandemic is top of mind for good reason, patients, families and the community continue to look to Beaumont to provide the high-quality programs, services and treatments they expect and need.

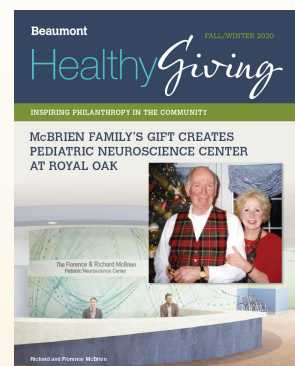
Recently, you received a special appeal to help Beaumont's front-line team members to address the increasing impact of COVID-19 on the community, to meet the greatest needs at your local hospital or to support a specific program especially meaningful to you. Please consider making a gift before year-end.

Visit beaumont.org/giving to support to the program of your choice.

Thank you for your commitment to Beaumont Health.

Your Copy of Healthy Giving Magazine Is On Its Way to Your Mailbox Now

This issue highlights Beaumont programs that have received special support from donors this year and features other innovative programs that will have significant community impact with support from donors like you. Read an online version of the new issue [here](#).



Please share your email address with us so we can send *Insights* to you electronically in the future.
Respond to: BeaumontFoundation.President@beaumont.org.

The Beaumont Health Foundation gratefully relies on support from the community. If you would prefer not to receive future communication, please reply by email to beaumonthealthfoundation@beaumont.org or call 947-522-0100.