

## **Helpful Information regarding the CARES Act and Your NCBF Philanthropy**

The North Carolina Bar Foundation is grateful to all who lend their philanthropic support to advance the Foundation's mission to unite the talent and generosity of the legal profession to be a power of greater good for the people of North Carolina.

In the midst of the COVID-19 pandemic, the Foundation recognizes those who support us also have important priorities for their families and loved ones, and we know that their health and financial well-being comes first. Still, in recognition of the current philanthropic environment, we would like to share helpful information regarding charitable giving that was enacted in the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which was passed into law in March 2020. This important legislation contains one-year provisions that encourage charitable giving to certain public charities like the North Carolina Bar Foundation. You should consult your own tax or other advisors concerning specific provisions and their applications to your own situation.

### **Non-itemizers who make cash gifts to the North Carolina Bar Foundation can reduce taxable income**

If you do not itemize your deductions in 2020, you can still reduce your taxable income by up to \$300 for contributions of cash to the North Carolina Bar Foundation and certain other public charities using an "above the line" adjustment. Married couples filing jointly may only be allowed one \$300 deduction.

### **Required Minimum Distributions waived**

Most required minimum distributions from retirement plans have been eliminated for 2020. This allows individuals who are generally subject to required minimum distributions from qualified retirement plans to keep funds in their retirement accounts. Check with your financial advisor to see how this temporary rule will apply to you.

### **Use Qualified Charitable Distributions to support the North Carolina Bar Foundation**

If you are 70½ or older, Qualified Charitable Distributions are still a great way to support the North Carolina Bar Foundation. A Qualified Charitable Distribution allows you to make a tax-free gift of up to \$100,000 to the North Carolina Bar Foundation from your IRA.

### **Use cash gifts to the North Carolina Bar Foundation to offset as much as 100% of adjusted gross income**

For the 2020 tax year only, you may be able to deduct cash gifts to the North Carolina Bar Foundation and certain other public charities to offset as much as 100% of your adjusted gross income. This 100% limit, which was most recently capped at 60%, could enable you to reduce your 2020 taxable income to zero. If you are even more generous, unused cash contribution deductions can be carried over for up to five additional years, subject to certain limits in subsequent years.

Contributions to donor advised funds or supporting organizations are not eligible for this deduction.

The North Carolina Bar Foundation is grateful for those who have chosen to invest in our mission to serve the people of North Carolina. Since 1960, the Foundation is here to help donors make their

charitable intentions to advance access to justice, service through the profession, civic education, and professionalism a reality. Please contact Louise Harris (919.677.0992; [lharris@ncbar.org](mailto:lharris@ncbar.org)) or Tom Hull (919.657.1567 or [thull@ncbar.org](mailto:thull@ncbar.org)) for assistance supporting the North Carolina Bar Foundation.

**You are advised to seek your own legal, tax and financial advice in connection with charitable gift and other tax planning matters. The North Carolina Bar Foundation does not provide legal, financial or tax advice.**