Thank you for supporting the Jesuits USA Central and Southern (UCS) Province and the work of our 42 sponsored ministries, including our schools, parishes and retreat centers.

When Congress passed the Coronavirus Aid, Relief and Economic Security (CARES) Act in March, the new legislation included several important provisions aimed at helping nonprofits, like the Jesuits UCS Province, sustain their work while also benefitting generous donors like you.

The inclusion of an expanded charitable giving incentive is a significant acknowledgment by Congress that nonprofits like the Jesuits provide essential services. Perhaps more than ever, our communities need the spiritual, educational and social works that Jesuits have delivered for nearly 500 years. It is the first time Congress has passed this type of giving incentive in response to disaster or national emergency.

**Increased Deduction Ceilings for those Who Itemize**
There’s great news if you itemize your taxes! The CARES Act allows you to claim charitable deductions up to 100% of your adjusted gross income in 2020. This is up from 60% of your adjusted gross income.

Gifts must be made directly to a qualified nonprofit, like the Jesuits UCS Province, and cannot be made to a donor-advised fund, supporting organization or private foundation. The new 100% deductibility has no sunset provision right now, so this could continue past 2020. If you need to carry over deductions, you could do so for five years.

This new provision also benefits corporations, which may deduct up to 25% of taxable income, up from the previous limit of 10%. Please talk with your accountant for more details.

**New Charitable Deductions for People who Take the Standard Deduction**
If you take the standard deduction on your taxes, any cash gift you make directly to the Jesuits in 2020 (and possibly beyond) may allow you to take up to a $300 above-the-line deduction on your taxes to be paid in 2021. The deduction is up to $600 for married couples.

This above-the-line adjustment to your income will reduce your adjusted gross income (AGI), and thereby will also reduce your taxable income. This deduction applies only to cash gifts made directly to nonprofits. Gifts of stock or gifts to donor-advised funds, supporting organizations or private foundations do not qualify for this deduction. Please talk with your accountant for details.

**Required Minimum Distributions (RMD) from IRAs Waived in 2020**
Required Minimum Distributions (RMD) from IRAs for individuals over age 70 ½ are suspended until 2021. This includes distributions from defined benefit pension plans and 457 plans. The RMD is an attractive way for donors to make a significant charitable gift directly from their IRA to the Jesuits through a qualified charitable contribution (QCD) while avoiding taxable income. Though the RMD is waived for 2020, donors can still make a gift from their IRA as the tax benefit of the QCD remains.

Donors directing a QCD to a nonprofit this year (up to $100,000 per individual) will still reduce their taxable IRA balance. This allows all taxpayers, itemizers and non-itemizers alike, to direct gifts from their IRA to nonprofits in a tax-efficient manner.

**Jesuits USA Central and Southern Province** recommends consulting a tax professional or your financial advisor to determine what options work best for your unique situation.