

Two Tax Advantages for Charitable Donations in 2020:

Recognizing that non-profits (like City Tree) struggle in times of economic uncertainty, Congress passed new laws to encourage individuals and corporations to make charitable donations in 2020. Thus, if you make a donation to City Tree in 2020, you may be able to take advantage of recently passed tax legislation regarding charitable donations.

1. The deduction for charitable contributions by individuals/corporations who itemize their expenses on their tax return has been increased, meaning you can take a greater deduction for your charitable deduction against your income. (For individuals, you can deduct the entire 100% donation if it is in cash. For corporations, the limitation was increased from 10% to 25% for both cash and contributions of food inventory donations.)
2. Whether or not you itemize your deductions on your tax return, Congress has allowed (just for cash donations made in 2020) a \$300 above the line deduction against your income.