## Charitable Giving Incentives for Donors to 501(c)(3) Nonprofit Organizations:

In addition to the direct financial relief available to eligible nonprofit organizations, the CARES Act also provides charitable giving incentives for donors of qualified 501(c)(3) organizations.

**For those individuals that itemize**: The CARES Act lifted the prior 60% cap on annual contributions. Individuals may now deduct 100% of their adjusted gross income for cash gifts contributed to qualified 501(c)(3) organizations. For contributions to private foundations, the prior deduction rules remain.

**For those individuals that do not itemize**: The CARES Act introduced a new above-the-line deduction applying to cash contributions to qualified 501(c)(3) organizations of up to $300. The deduction will apply to those contributions made in 2020 and will be claimed on tax forms next year.

**For corporations**: The CARES Act lifted the prior 10% cap on deductions for cash contributions. Corporations may now deduct up to 25% of the corporation's taxable income for cash contributions to qualified 501(c)(3) organizations. For contributions to private foundations, the prior deduction rules remain.

For guidance on the CARES Act please reach out to your accountant for further clarification or any questions you may have.