

Consolidated Appropriations Act (CAA) and Your Support



Thank you for your support of Carleton College. While the health and wellbeing of our family and loved ones is our top priority at this time, our office is open as a resource for donors considering making an impact during these unprecedented times.

The Consolidated Appropriations Act (CAA) replaces the expired CARES Act, which was created to help individuals, businesses, and nonprofits facing economic hardship during the coronavirus pandemic. While many of your giving options and opportunities have not changed, there are a few key points to note:

TAX INCENTIVES

The CAA continues the CARES Act provision to allow full tax deductibility for all cash gifts up to \$300 regardless of whether you itemize or not, and expands it to \$600 for married couples filing jointly. For individuals who do itemize, gifts to Carleton College are now tax deductible up to 100% of your adjusted gross income (up from 60% in previous years).

REMINDER

While you may look at \$300 as a small gift, we remind you that gifts of all types and sizes combine to have a huge impact!

Note: The CARES Act suspension of Required Minimum Distributions has not been extended into 2021
The CARES Act of 2020 waived required minimum distributions (RMD) for the 2020 tax year. That waiver has not been extended. Many of you have used your RMD to make a qualified charitable distribution (QCD) from your IRA directly to Carleton College, and that remains a beneficial option.

A GIFT FROM YOUR IRA IS A GREAT OPPORTUNITY

If you are 70½ or older, you can make a gift from your IRA or name Carleton College as a beneficiary.

- Carleton College will benefit from your gift today; you can see your generosity in real time.
- You pay no income taxes on the gift. The transfer generates neither taxable income nor a tax deduction, so you benefit even if you do not itemize your deductions.
- Since the gift doesn't count as income, it can reduce your annual income level. This may help lower your amounts that are subject to tax.

YOUR CHARITABLE INTENTIONS

In these delicate and unprecedented times, we're especially grateful for your support. Planned gifts from people like you sustain our ability to carry on. We welcome your questions and comments. Contact us any time.

As always, please consult a qualified advisor before making a new gift commitment.

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This document is informational and educational in nature. It is not offering professional tax, legal, or accounting advice. For specific advice about the effect of any planning concept on your tax or financial situation or with your estate, please consult a qualified professional advisor.

FOR MORE INFORMATION

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