

SAVE ON YOUR TAXES

GIVE GENEROUSLY!

WOULD YOU LIKE TO HAVE YOUR TAX LIABILITY FOR 2020 **COMPLETELY WIPE OUT?**

What would it feel like to pay Uncle Sam zero dollars in taxes for this calendar year? It is possible for this scenario to happen if you are strategic in your charitable giving.

BOTTOM LINE: Limits for how much you can deduct on your taxes for charitable giving have been lifted! The more you give, the more you can deduct — **up to 100% of your annual income.** Keep reading to learn how!

THE CARES ACT, passed earlier this year in reaction to the financial difficulties created by the COVID-19 pandemic, temporarily increases the Adjusted Gross Income (AGI) limit on cash contributions made to charities. In 2019, that limit was 50% of your AGI, a limit that was increased to 60% with the new tax laws that took place at the beginning of 2020. However, Congress, in response to the pandemic, increased that limit to 100% of your AGI for 2020!

WHAT DOES THAT MEAN?

You can completely negate any tax liabilities owed to the government this year if your total charitable contributions reach or exceed 100% of your AGI.

THE DETAILS...

If you are 59 ½ years of age or older, and if you are able to make withdrawals from your 401k or 403b retirement accounts without any penalty, this money is normally taxable and that amount would be added to your AGI. However, in 2020, if you give 100% of your withdrawal to a charity, you will pay no income taxes on these funds. Should your charitable contributions actually exceed your AGI, your excess giving can be carried over as a charitable contribution for up to five years.

If you take the standard deduction and do not itemize your deductions on your tax returns, the CARES Act still has benefits for you, as well. You can deduct up to \$300 (or \$600 for a married couple) as a charitable contribution. This is an “above the line” adjustment that will reduce your AGI, thus saving you on what is owed in taxes.

As Family Life’s “Expand Our Territory” year-end project unfolds, you can use these tax incentives to help reach **over 600,000 more listeners** with the message of hope found in Jesus Christ!

familylife
...a friend you can turn to

P.O. Box 506 | Bath, NY 14810
800.927.9083 | 607.776.4151 | www.fln.org