



Why Now May Be an Excellent Time to Be Generous

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Amid a global pandemic and an unstable economy, many people are hurting right now. In response, charities are rushing to meet these elevated needs, but this comes at a time when many nonprofits have been forced to cancel fundraisers and cut staff. If you want to help, consider making a charitable gift before year-end. Here are some reasons why now may be an excellent time to be generous.

Gifts of Appreciated Assets: Gifts of appreciated stock help charities while maximizing the value of your gift and avoiding capital gains. Currently, the U.S. stock market has recovered significantly from the lows experienced in March and is again near all-time highs. Although we cannot predict how markets will perform later in the year, we may see heightened short-term volatility in equity markets in the coming months as our country continues to grapple with COVID-19, civil unrest, the upcoming elections, and ongoing trade tensions with China. If you have unrealized long-term gains in your portfolio, now may be a great time to donate assets that have appreciated. This approach prevents you from having to realize the long-term capital gains yourself.

Gifts of Cash: The Coronavirus Aid, Relief, and Economic Security (CARES) Act created a unique gifting opportunity this year if you itemize deductions on your return. The CARES Act lifted the limit on charitable gifts that can be deducted in 2020, from 60% of the taxpayer's adjusted gross income (AGI) to 100% (gifts in excess of 100% of your AGI cannot be deducted). This change applies only to cash gifts made to charitable organizations qualified by the IRS and not contributions to donor-advised funds (DAFs). Please contact your financial advisor about your unique situation.

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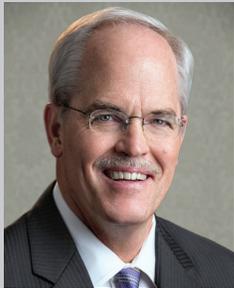


A Special \$300 Deduction: If you, like many others, do not itemize but instead take the standard deduction on your tax return, then you may be eligible to take a special deduction for cash gifts of up to \$300 to qualified charities. This special deduction can be subtracted before calculating your AGI. Since many people do not itemize, this helps ensure that taxpayers who may not have been able to claim a tax benefit for charitable contributions in 2019 may be able to deduct at least some of their contributions in 2020.

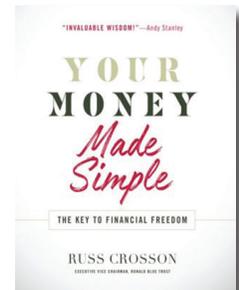
Giving Through Your Business: If you own a business and want to give through it, the CARES Act raised the annual cash gift limit from 10% to 25% of corporate taxable income. As with individual giving, the tax benefit does not apply to contributions toward DAFs. Consult your accountant to understand how this applies to your business given your structure as a partnership, company, or S-Corp.

Although this is a challenging time for many, now may be a unique opportunity for you to help meet the needs of others by using the resources and earnings that God has provided you. At Ronald Blue Trust, our advisors apply biblical wisdom and technical expertise in order to help our clients make wise financial decisions, experience clarity and confidence, and leave a lasting legacy. If you would like to learn more about charitable giving strategies and whether now is a good time to give as part of your charitable giving goals for 2020, please contact a Ronald Blue Trust advisor by calling 800.987.2987 or emailing BLOG@RONBLUE.COM.

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Russ Crosson is executive vice president and chief mission officer of Ronald Blue Trust® and executive vice chairman of the board of directors for Thrivent Trust Company. Russ serves as chief advocate for the heart and soul of the organization and works to ensure the mission of the company is fulfilled with integrity in every area of the organization, with a focus on making sure the company's mission is passed down and inculcated into future generations.



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