

## The Tax Cuts and Jobs Act Strategies for Giving in 2019

Many people are wondering, for charitable gifts, what do I do in the face of the changes that the Tax Cuts and Jobs Act makes to individual and business income tax, as well as the estate tax?

### The Short Answers

Itemize, give stock, and make sure that you are talking to your advisors and us about supporting Sacred Heart Academy through the best giving vehicles for you!

### Are the Deductions Still There?

First, the new tax law still allows you to deduct charitable gifts and raises the cash gift deduction ceiling to 60% of your adjusted gross income. While the law is intended to reduce your incentive to itemize by increasing the standard deduction, (for single filers, the standard deduction jumps to \$12,000; for married couples filing jointly, \$24,000), it also reduces many people's deductions for mortgage, real estate and state and local tax deductions.

### "So, What Does This Mean to Me?"

That means that charitable gifts may be even more beneficial for many people to balance their tax burden with their take-home income, especially giving through one's retirement plan.

### Appreciated Securities

Gifts of appreciated stock allow you to continue to support our mission, avoid capital gains taxes, avoid additional income tax, and still receive credit for a charitable gift.

### The Simple Gift Through Your Will (Bequest)

Finally, a simple bequest allows us to continue to do the work you love for years. Ask us how a bequest, or beneficiary designation gift today can make your impact last forever. A retirement plan beneficiary designation gift is easy,

doesn't require an attorney to accomplish and allows you to leave other assets to your loved ones without the tax implication of leaving your IRA to them.

### In Summary... Five Quick Tips

- **Make Itemizing Work for You**  
If your itemized deductions are nearing the new standard deduction ceiling, increase or aggregate your charitable gifts over multiple years to make itemizing work for you.
- **Your IRA Can Still be Taxed Up to 60%**  
Make a charitable gift to Sacred Heart Academy through retirement plan beneficiary designations. Although individual beneficiaries will have to pay income tax on retirement-plan gifts, charities won't. So give individuals other assets to heirs that carry a lesser tax burden instead, and save retirement-plan gifts for charity.
- **Appreciated Securities are as Good as Before**  
The appreciated securities portion of the tax law hasn't changed — meaning you can still save capital-gain taxes by giving appreciated securities that you've owned for more than a year.
- **Make an Immediate Tax-Free Rollover from Your IRA**  
Another portion of the law that hasn't changed! If you're over the age of 70½ and haven't taken the required distribution from your IRA, ask the IRA administrator to make a direct tax-free transfer to charity.
- **Easiest Gift There Is.**  
Rely on a simple bequest, which can still be used to make a significant gift that costs nothing during your lifetime. Talk to your advisor to find the best way to meet your objectives.

### More Information

For more information, please contact the Sacred Heart Advancement office at 610-527-3915, x223 and we will be glad to assist you.