



## AMY DE GUIA

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# Consolidated Appropriations Act (CAA) and Your Support

Thank you for your support of Bellarmine Preparatory School. 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 Bellarmine 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) directly from your IRA directly to the School.

### A Gift From Your IRA is Still A Great Opportunity

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

- Bellarmine 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.

### Other Strategic Giving Options

**Donor-Advised Fund:** distributing funds already in your DAF doesn't affect personal financial security, so you can give without worry.

**Bequests:** designating Bellarmine as the recipient of a specific amount or percentage has no impact on you now, but will have a large impact on Bellarmine in the future.

**Beneficiary:** including Bellarmine as a beneficiary of a life insurance policy, 401(k), or other retirement account is always an easy way to plan a gift.

**Charitable Gift Annuity:** establishing a CGA with Bellarmine guarantees fixed payments to you (and may offer a particularly attractive percentage rate!)

**And there's more!** Contact Bellarmine or your financial advisor to explore how you can support your family and Bellarmine.

### Your Charitable Intentions

In these delicate 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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