2020 Charitable Giving Tax Changes

1. **Non-Itemizer Above-the-Line Charitable Deduction (Universal Deduction).**
   The bill includes an above-the-line charitable deduction of up to $300 in cash gifts per taxpayer for eligible individuals, defined as non-itemizers. The above-the-line deduction will give nonprofit supporters who normally do not receive tax benefits, incentive to make gifts to their favorite causes this year. This provision is applicable only for 2020.

2. **Itemizer Gifts for Cash Contributions to Public and Private Charities!**
   For 2020, taxpayers may deduct gifts of cash regardless of whether given to a public charity or private foundation and deduct them up to their contribution base — 100% of their adjusted gross income (AGI). Gifts of cash made to public charities are normally limited to 60% of AGI. This year, if a donor has an AGI of $1 million, he can make a $1 million cash gift to a public charity and take a $1 million deduction that could wipe out his tax liability. If a donor makes an election for a noncash gift to be deductible at cost basis, it would be deductible at 100% of AGI for 2020.

3. **Normal Carry-Forward Rules Apply.**
   Any deductions that cannot be taken in a single year may be carried forward an additional five years.

4. **Corporate Gift Deduction Limit 25%.**
   The bill increases the deduction limitation to 25%, for both cash and food. The extra benefit should incentivize some corporations to give back to charities in their communities and those combating the virus and helping with relief efforts this year.