

Giving in 2020

Cash - Give online or send a check.

For tax year 2020, the CARES Act of March of this year has made universal deductions available up to \$300 for individuals and \$600 for joint filers (even if you do not itemize).

For those who itemize, under the CARES Act, cash gifts are deductible up to 100% of adjusted gross income, up from the 60% cap.

Appreciated Securities - contact Carole Mackenzie for donation instructions.

2020 market gains left some with appreciated stock carrying significant capital gains tax liability. Donate shares and potentially get a tax deduction for the full market value of the stock on the date of the gift and avoid capital gains tax.

IRA - Qualified Charitable Distributions (QCDs)

If you are 70½ and have not made a deductible contribution to your traditional IRA in 2020, you can make a Qualified Charitable Distribution ("QCD") from your Traditional IRA of up to \$100,000 income tax free.

Because the age for beginning Required Minimum Distributions ("RMDs") was changed by the SECURE Act of last December from 70½ to 72 and, under that same new law, contributions to one's IRA can continue to be made past age 70½ by IRA owners who have earned income; and because RMDs are waived for 2020 under the CARES Act of this past March, it is especially important to speak with your accountant or tax advisor to determine whether a QCD is a good gifting opportunity for you this year.

Life Insurance Policies - transferring ownership to a charity or naming charity as the beneficiary instead of allowing a policy to lapse or cashing it in.

Gifts during lifetime may be made outright or in trust.

We hope that this short summary might be a useful reminder as we rapidly enter peak giving season. For additional information please contact:

Question?

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mailing address:

Eagle Island, Inc.
PO Box 245
Livingston, NJ 07039

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Every taxpayer's situation is unique and should be carefully reviewed with your professional advisor.

Gifts Upon Death

Designating Eagle Island, Inc. as the beneficiary of your retirement account or plan
Bequests under your Will

Incorporating a gift to Eagle Island, Inc. in your Will is easily arranged either as a provision in a newly executed Will or as a codicil to an existing Will. We respectfully suggest that you consult with your tax or legal advisor who will ensure that your intentions are legally stated. Below is sample language for two common types of outright bequests in a will:

Specific Bequest (a gift of a specific sum or of specific property):

"I give to Eagle Island, Inc. (Tax ID# 27-4548675) of Saranac Lake, New York \$_.00 for its general support."

Residuary Bequest (some portion or all of the residue of one's estate after all specific bequests are fulfilled):

"I give to Eagle Island, Inc. (Tax ID# 27-4548675) of Saranac Lake, New York all the rest, residue and remainder of my estate for its general support."

Bequests can also be left to Eagle Island, Inc. in trust under a Will.

If your plans include an estate gift that will leave a legacy for Eagle Island, Inc., please let us know so we can honor you in Eagle Island's **Legacy Circle**. All information is confidential.

There are other charitable tools with unique characteristics that can benefit Eagle Island now or in the future. Some can provide current income to you or future benefits to family members or others. We can offer general information to start the conversation or put you in contact with an advisor. A few examples of these tools are: Donor-Advised Funds

- Donor-Advised Funds
- Charitable Gift Annuities
- Charitable Remainder Trusts
- Charitable Lead Trust

These strategies have differing income, gift, and estate tax consequences and should be reviewed with a tax advisor and/or attorney prior to implementation.

TIP: In addition to gifting opportunities in 2020 afforded under the CARES Act, significant changes to the rules for distributions from retirement accounts under the SECURE Act that was passed in December 2019 may make charitable remainder trusts a particularly attractive planning and gifting strategy in appropriate situations. Speak to your professional advisors to see whether a charitable remainder trust or other long-term charitable planning opportunity is right for you.

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