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CARES, COVID-19, AND YOUR SUPPORT

Thank you for your support of Siena College. While the health and wellbeing of our students, staff, and faculty and their families continues to be our top priority, our office remains a resource for donors who wish to make an impact during these unprecedented times.

The CARES (Coronavirus Aid, Relief, and Economic Security) Act 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:

REQUIRED MINIMUM DISTRIBUTIONS TEMPORARILY SUSPENDED

The new law waives required minimum distributions (RMD) for the 2020 tax year. Many of you have used your RMD to make a qualified charitable distribution (QCD) directly from your IRA directly to Siena College. Despite the requirement to withdraw from your IRA being suspended, if you are 70½ or older, you can still make a gift from your IRA or name Siena College as a beneficiary.

A GIFT FROM YOUR IRA IS STILL A GREAT OPPORTUNITY

- Siena College will benefit from your gift today; you can see your generosity in real time.
- You pay no income taxes on your gift. The transfer generates neither taxable income nor a tax deduction, so you benefit even if you do not itemize your deductions.
- Since your gift doesn't count as income, it can reduce your annual income level. This may help lower your amounts that are subject to tax.

NEW TAX INCENTIVES

The CARES Act provides full tax deductibility for all cash gifts up to \$300 regardless of whether you itemize or not. For individuals who do itemize, gifts to Siena College are now tax deductible up to 100% of your adjusted gross income (up from 60% last year).

REMINDER

While you may look at \$300 as a small gift, please remember gifts of all types and sizes combine to make a huge impact!

Donors may deduct 100% of cash contributions to most public charities. For the 2020 tax year only, you may deduct cash contributions to Siena College and most other public charities up to 100% of your adjusted gross income (AGI). Ordinarily these deductions would be limited to 60% of your adjusted gross income. This higher limit will allow especially generous donors to reduce their 2020 federal income tax to zero. Donors who are even

more generous can carry forward unused cash contribution deductions up to five years. Contributions to donor advised funds or supporting organizations are not eligible for this special election. Also note that the 100% limit is reduced dollar-for-dollar by other itemized charitable deductions, which means that your charitable deductions in 2020 cannot exceed 100%, but you may be able to carry unused charitable deductions forward to future years.

The 100% election may not always be the tax-wise choice. Because federal income tax rates are progressive, it is not a given that it will be to your advantage to deduct 100% of your cash contributions in 2020. Check with your financial or other advisors to determine whether the 100% election makes sense for your specific circumstances.

OTHER STRATEGIC GIVING OPTIONS

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

Bequests: designating Siena College as the recipient of a specific amount or percentage has no impact on you now, but a large impact on Siena.

Beneficiary: including Siena College as a beneficiary of a life insurance policy, 401(k), or other retirement account is always an easy way to create your legacy.

Charitable Gift Annuity: establishing a CGA with Siena College guarantees fixed payments to you and your spouse (and may offer a particularly attractive percentage rate!)

There are more opportunities than what you see here! Please contact Bradley W. Bodmer '82, Esq., Asst. Vice President at Siena College or your financial advisor to explore how you can support your family as you create your legacy.

YOUR CHARITABLE INTENTIONS

In these delicate and unprecedented times, we're especially grateful for your support. Planned gifts from people like you support the education for a lifetime. We welcome your questions and comments. Contact us any time.

As always, please consult a qualified advisor before making a new gift commitment.