**Linthicum Heights United Methodist Church**

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**TAX-WISE GIVING IN 2021**

**IF YOU TAKE THE STANDARD DEDUCTION**

Under the CARES ACT, in 2021, gifts to charities like our church qualify for a “Universal Deduction” above and beyond the existing standard deduction. The limit is $300 for individuals and $600 for married couples filing jointly.

**IF YOU ITEMIZE**

The CARES ACT increased the previous charitable deduction limit of 60% Adjusted Gross Income to 100%. That means, if you can afford to give away as much as you earn, you can completely offset your income with charitable giving for 2021.

To be included for 2021 your donation must be **received** by the church by mid-night December 31, 2021.

In addition, you can make gifts of **stocks, bonds, or mutual funds**. When you give appreciated assets directly to the church, no capital gains tax is due. Contact the church office for more information on how to do this.

For those over age 70.5, you can give to the church directly from a traditional IRA. **Required Minimum Distributions** were suspended for 2020 under the CARES ACT, but return this year. Failing to withdraw the required minimum can result in fees and penalties. By contacting the financial institution that holds your IRA and directing them to send a distribution directly to the church, you won’t be liable for income tax on the gift, but the total amount of the gift (up to $100,000 per year of charitable giving) will count towards your Required Minimum Distribution.