



PHI DELTA THETA Foundation

November 22, 2021

Dear Supporter,

We want to let you know about a few key CARES (Coronavirus Aid, Relief, and Economic Security) Act provisions that have been extended or updated from the latest COVID-19 Relief Package. This new law is designed to help you, businesses, and nonprofits facing economic hardship during the coronavirus pandemic.

Effective beginning in 2021 tax year, the law **allows non-itemizers to take a charitable deduction of up to \$300 (\$600 for couples)**. You might think that this is a small amount and would not make a difference. But if all of our donors gave “just” \$300? Such support would have a huge impact on our students.

For those who do itemize their deductions, the law continues to **allow for cash contributions to qualified charities, such as ours, to be deducted up to 100%** (usually 60%) of your adjusted gross income for 2021.

No waiver of RMD in 2021. The new year brings back the RMD for the 2021 tax year. An RMD is the annual Required Minimum Distribution that you must start taking out of your retirement account after you reach age 72 (70½ if you turned 70½ before Jan 1, 2020). Many of our donors use their RMD to make a gift from their IRA. This is commonly known as the “IRA Charitable Rollover” or Qualified Charitable Distribution (QCD). If you are 70 ½ or older, you can make a gift from your IRA (lowering your taxable income) or name us as a beneficiary, even if you are not required to make your RMD.

We are so grateful for your generosity, which touches—and changes—so many lives. Please contact me to discuss how your gift can help further our mission. As always you should consult with your tax professional or financial adviser when considering tax advantages.

Yours in the Bond,

W. Andrew Cole, *Hanover '11*
Director of Advancement & Planned Giving
Phi Delta Theta Foundation
acole@phideltatheta.org