**Tax Changes and Nonprofit Giving**

With the enactment of federal tax law changes, there may be some changes in your tax bill next year, and that might impact how you manage charitable giving in 2017 and beyond. Because so many have questions, we are providing some general information that might be helpful. However, you should always check with your specific tax professional or financial advisor.

**What does this mean for nonprofit donations?**

Well, again you should (quickly) consult with your tax professional for individual and specific impacts on your financial situation. In general, most people give to nonprofits because they support the mission of the nonprofit and not for a purely financial strategy. However, here are a few things to think about:

* If you plan to utilize the $12,000 standard deduction in 2018, you will not be able to receive a tax benefit for charitable giving in 2018. You may want to consider accelerating your donation to 2017 to realize the tax benefit now. You can give either [**directly to a charity like Greater Columbus Right to Life**](https://www.paypal.com/donate/?token=HgDyLtf8WstmrdEzfowBzwoqB26nohPvpWUrKk-EqoyFTZi5UlDmPHYh4rZalS1IsHBugG&country.x=US&locale.x=US), or you can work with a charitable foundation to establish a donor advised fund now which you can use to make future donations.
* [**You can give to GCRTL securely right now via paypal**](https://www.paypal.com/donate/?token=HgDyLtf8WstmrdEzfowBzwoqB26nohPvpWUrKk-EqoyFTZi5UlDmPHYh4rZalS1IsHBugG&country.x=US&locale.x=US).
* There are numerous foundations that you can work with, but we frequently benefit from donor advised funds at the Catholic Foundation, the Stewardship Foundation, and the Columbus Foundation. We are happy to direct you to one of these entities, but remember that there are just a few business hours left in 2017.
* If you plan to exercise a stock option or cash out a stock to make a charitable donation, consider giving the stock directly to us (or the charity of your choice) and check with your financial advisor if 2017 or 2018 is a better time for you to do that.
* If you take an IRA distribution and have not met that minimum distribution, give now to that minimum distribution. If you have met that minimum distribution – you should talk to your tax advisor to make a decision.
* If you are not overall impacted by the changes to the standard and itemized deduction, changes to the tax brackets in 2018 will likely mean that you have some extra money in each paycheck. Consider pledging part of that as a monthly

Overview:

* Reduces the highest rate to 37% from 39.6%. [**You can see the new tax brackets here.**](https://www.forbes.com/sites/robertberger/2017/12/17/the-new-2018-federal-income-tax-brackets-rates/#17505c68292a)
* Adjusts rates and tax brackets with decreases for most (but not all) income levels
* Increases the exemption level and phase-out of the AMT
* Increases the standard deduction to $24,000 for married and $12,000 for single
* Repeals personal exemptions at all income levels
* Limited deductions for income, sales, and property taxes in the aggregate to $10,000 ($5000 for married filing individually)
* Repeals the limitation of itemized deductions to $266,700 for single filers and $320k for married filers
* Reduces the floor for medical expenses to 7.5% (was 10%)
* Eliminates Home Equity Line of Credit deductions
* Generally reduces deductions for primary and second residence mortgages after 12/16/17 to a combined $750,000
* Amends 529 deduction plans to include public and private primary and secondary schools, including religious schools
* Increases the deductible amount of cash given to public charities from 50% to 60% of AGI
* Doubles the estate tax exemption to $11.2 million
* Increases the child tax credit to $2000, $1400 of which is refundable (you can get even if you have no tax liability because of low income) and increases the phase out levels for earners over $110,000/$400,000