



FORDHAM PREPARATORY SCHOOL

Faith, Scholarship, Service

The Impact of the Coronavirus Aid, Relief, and Economic Security Act (CARES)

While the health and well-being of our community is our top priority, our Development Office is open as a resource for donors considering making an impact on Fordham Prep during these unprecedented times.

The CARES Act was created to help individuals, businesses, and nonprofits facing economic hardship during the coronavirus pandemic. While many 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 people use their RMD to make a qualified charitable distribution directly from their IRA. 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 Fordham Prep as a beneficiary.

A GIFT FROM YOUR IRA IS STILL A GREAT OPPORTUNITY

- You pay no income taxes on the gift. The transfer generates neither taxable income nor a tax deduction, so you benefit even if you do not itemize your deductions.
- Since the 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. While \$300 may seem like a small gift, we know that gifts of all types and sizes combine to have a huge impact and every gift is appreciated.

OTHER STRATEGIC GIVING OPTIONS

- **Bequests:** Designating Fordham Prep as the recipient of a specific amount or percentage in your will or trust has no impact on you now, but will have a large impact on the Prep in the future.
- **Beneficiary:** Including the Prep as a beneficiary of a life insurance policy, 401(k), or other retirement account is an easy way to plan a gift.
- **Charitable Gift Annuity:** Establishing a CGA with the Prep guarantees fixed payments to you.

YOUR CHARITABLE INTENTIONS

We're especially grateful for your support during these trying times. Planned gifts sustain our ability to enhance the Prep's tradition of excellence while providing for future generations of students.

**Individuals may wish to consult their qualified financial advisor before making a new gift commitment.*

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