

# ***Coronavirus Response and Relief Supplemental Appropriations Act, 2021***

## **Special Tax Update**

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### **What's in the new law?**

- Additional direct payments of up to \$600 for adults and \$600 per child. The full rebate will be available for individuals with income up to \$75,000 and married couples up to \$150,000. The benefit is phased out for higher-income individuals and families.
- Enhanced unemployment benefits of \$300 a week through March 14, 2021, in addition to state benefits.
- Reopens the Paycheck Protection Program for small businesses (including nonprofits) to help them continue operating and maintain employees.

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**T**he latest installment of COVID-19 relief and stimulus includes incentives to encourage individuals and corporations to continue supporting their charitable interests.

Some 2021 income tax considerations include:

- For non-itemizers, a \$300 (\$600 for couples) deduction for cash gifts to qualified charitable organizations (no donor advised funds or supporting organizations).
- For itemizers, an increased deduction limit for charitable gifts of cash from 60% to 100% of AGI with a five-year carryover.
- Increased deduction limit on corporate contributions from 10% to 25%.
- Increased deduction limit on gifts of food inventory to 25%.

As always, check with your advisors for specifics regarding your situation.