How the CARES Act Impacts Charitable Giving

By Andrew Shaughnessy

The recently-passed coronavirus response bill, known as the "CARES Act," includes changes to tax law that may impact and encourage charitable giving in 2020.

"Above-the-Line" Deductions for Charitable Giving

In previous years, taxpayers who didn't itemize deductions on tax returns weren't able to claim a charitable deduction for their charitable giving. In 2017, the standard deduction was raised to $12,000 for individuals and $24,000 for married taxpayers filing jointly, meaning that anyone who gave less than that amount to charity essentially received no extra charitable deduction for doing so.

Now, taxpayers can claim up to a $300 "above-the-line" deduction for cash contributions to charities like MTW during the 2020 tax year, even if they don't itemize their deductions. Contributions to donor advised funds are excluded.

Charitable Deduction Limits Raised

The bill also temporarily raises the adjusted gross income (AGI) percentage limitation on income tax charitable deduction for individuals from 60% to 100%—meaning that donors intending to make large cash contributions to charity during 2020 now are able to deduct up to 100% of their adjusted gross income. Charitable contributions over and above 100% of AGI can be carried forward for the next five years. Contributions to donor advised funds are excluded here as well.

Deduction limitations for corporations have been relaxed as well. Previously, deductions for charitable giving by corporations were capped at 10% of taxable income. That cap has now been increased to 25% of a corporation's

taxable income. Charitable contributions over and above the 25% limitation can be carried forward for the next five years.

Stand with Us

Across the globe, MTW missionaries continue to share the gospel of hope with a world consumed by fear, sickness, and death. Even in pandemic, the Great Commission remains and our mission continues. Thank you for standing with us as we work to build for the kingdom of God. ■

We're Here for You

Three tools for faithful stewardship in a time of crisis

When this new decade dawned just a few short months ago, no one could have imagined what was coming. As the COVID-19 pandemic sweeps the globe, bringing sickness, death, and economic turmoil, it can sometimes seem as though the world has turned upside down. But in times like these, we cling to God's promises.

In his letter to the Romans, the Apostle Paul writes:

"For I am sure that neither death nor life, nor angels nor rulers, nor things present nor things to come, nor powers, nor height nor depth, nor anything else in all creation, will be able to separate us from the love of God in Christ Jesus our Lord" (Rom. 8:38–39).

Whatever else these turbulent times bring our way—health or sickness, prosperity or poverty, connection or loneliness, life or death—we can rest assured that the love of Christ stands firm and unshakeable.

We also want to assure you that, if you need us, we are here for you. It can be daunting to think about estate planning or charitable giving in a time of financial uncertainty. And so we would like to highlight some tools that may equip and empower you as you continue on your kingdom-driven stewardship journey.

1. Estate Planning

Faithful stewardship doesn't stop when life ends. In fact, the single largest act of financial stewardship most of us as believers will make is deciding what

Whatever else these turbulent times bring our way—health or sickness, prosperity or poverty, connection or loneliness, life or death—we can rest assured that the love of Christ stands firm and unshakeable.

to do with our assets upon our death, and arranging for the transfer of those assets in a manner that reflects our Christian commitments.

MTW's Center for Estate and Gift Planning has been helping people reach their personal estate planning goals and make a difference for the kingdom for over 20 years. We have seen a spike in requests for our estate design service this year, and we would be happy to assist in developing a plan that will help you use your assets wisely, whether for personal, family, business, or charitable interests.

2. Donor Advised Fund (DAF)

Think of a DAF as a charitable checking account.

Here's how it works: First, you set up a secure and confidential giving fund (your DAF) with MTW. Next, you fund your DAF by making a charitable gift of cash, stock, mutual funds, or real estate. Finally, you give instructions as to how you would like MTW to distribute grants from the fund to your church, missionaries you support, or other tax-exempt organizations. You can change these instructions or add funding anytime you like.

In addition to receiving immediate tax benefits for contributions made, you only have to deal with one giving receipt at the end of the year, making tax season simpler. All in all, DAFs are a tax-efficient, flexible, and convenient way to support the causes you care about, leave a legacy of giving, and make a lasting kingdom impact.

3. Charitable Gift Annuity (CGA)

With a CGA, you make a gift to MTW of either cash or appreciated securities such as stocks, CDs, or mutual funds. In return, you receive immediate tax benefits and MTW will pay you a secure, fixed sum for life. At the time of your death, the remainder of the gift goes to MTW, supporting gospel-driven missions work around the world.

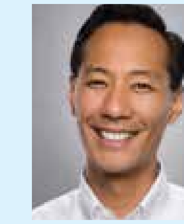
If you have a CD, savings account, or investment account that is not giving you the return you desire or once had, CGAs may be right for you.

If you would like to learn more about how MTW's Center for Estate and Gift Planning can help with your stewardship goals, please feel free to call Bruce Owens at 678-823-0028 or email EstateGift@mtw.org. Design your legacy today. ■

Center for Estate and Gift Planning

Are the Rich Heartless?

By Dr. Lloyd Kim



In a recent video by the BBC entitled "Are the Rich Heartless?" a sociologist argues that the more wealth we have in comparison to others around us, the less we're able to read emotions on others' faces and the less sympathetic we become. People driving nicer cars, for example, are less likely to stop to let an old woman with a cane cross the street.

Being wealthy is not sinful. In fact, having a lot of resources can be the source of many blessings. However, those who have wealth are subject to some very specific temptations. In 1 Timothy 6:17-19, Paul warns of two of these: pride (or haughtiness) and putting our hope in our wealth.

Pride, as C.S. Lewis says, is always competitive. We're not proud of being rich, clever, or good looking. We're proud of being richer, cleverer, or better looking than others. The danger is thinking that my significance is greater than others because of what I possess.

Paul points out there is also uncertainty in wealth—it can easily be lost overnight. What happens to our significance and security if our wealth disappears? Riches will never provide the peace and security that our hearts long for.

The antidote to these temptations is simply this: putting our hope in a God who loves us! He is the source of our significance, self-worth, and security, whether we have wealth or not.

Just as wealth brings unique temptations, it also allows unique opportunities. With our hope in Christ, we are free to live with a simple purpose: to advance the kingdom through our words and deeds. And while this purpose is not exclusive to the wealthy, it provides a unique blessing and opportunity to give generously to the work of the kingdom.

So, are all wealthy people heartless? No. Even the BBC agrees that those who are able to control their wealth and spread it around to those in need are exceptions to the rule. In other words, those who understand stewardship and generosity.

We should ask ourselves: Why has God given us all that we have? Yes, to provide for our families and ourselves, but what else? To do good, give generously, and extend His generosity to others—that they might know Him and receive the promise of eternal life. ■

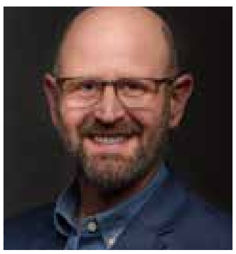
Lloyd Kim

mtw Mission to the World

Everything Belongs to God:

Timm Sasser's Philosophy of Biblical Stewardship

Timm Sasser, the newest member of the MTW Partner Relations team, serves as the department's assistant director, working with both our Center for Estate and Gift Planning and Ambassadors Program. He began his ministry and stewardship journey 24 years ago when he joined the staff of a student discipleship ministry and was tasked with raising his own support. While the concept was new and disorienting to him at the time, it birthed in him a heart to engage the body of Christ through biblical stewardship.



"You can't talk about my philosophy of ministry or stewardship without talking about my experience with that ministry," Timm said. "They taught me about both of those things."

Eventually, Timm ventured into the business world. For the next 15 years he worked in development, sales, and operations for several different companies, earning his master's degree in biblical studies from Dallas Theological Seminary along the way. Timm's church, Noting both his business acumen and seminary degree, began to ask him to speak whenever they needed to make a monetary plea. After years of struggling with asking people to give to support ministry efforts, Timm was surprised to find that his heart had completely changed.

"As a business guy, I loved giving to ministries," Timm explained. "I enjoyed the process of taking what God had given me, trusting Him with it, and putting it to use for the kingdom. … and I realized that there were other people who really had that heart too. And that providing them an opportunity to give is really a service."

In the years that followed, God continued to shape his heart for ministry and stewardship. Timm went on numerous church mission trips to South Sudan. He joined a small, Africa-focused missions organization, serving as their director of development. Today, Timm blesses MTW with his big heart, his biblical approach to stewardship and development, and a lifetime of experiences that have perfectly positioned him to equip and serve God's people.

"It's not ours. Everything belongs to God. That's my philosophy of stewardship in a nutshell," said Timm. "We get the opportunity and privilege of stewarding what God has given us and putting it to use for kingdom purposes."

"What God has given us" includes not only material and financial resources, but also spiritual and relational gifts, and even our skills and talents. The way Timm sees it, part of his job is to help give MTW's partners an opportunity to exercise and express the gifts that God has given them.

"I think that God calls some people to the mission field—to go to foreign countries and preach the gospel," said Timm. "But I also believe that God calls and equips other people to lead companies, build businesses, and raise families."

We're all called to do the work of evangelism, making disciples, and working to expand the kingdom of God. But exactly where and how we do those things differs from Christian to Christian, gift to gift. Some of us are gifted and called to travel to live in foreign countries, learning new languages and cultures, planting churches and making disciples, living the life of a cross-cultural missionary. Others are gifted and called to send and to give.

"Giving and sending are expressions of obedience to God's command to go and make disciples," said Timm. "When we give, we get to trust God with what He's given us, and we learn more about who we are in the process." ■

We trust you have found this issue of **Partners in Planning** to be helpful. We look forward to answering any questions you may have about the information shared here.

Please take time now to complete the response card to receive information on our estate design and gift planning services. We are here to help you in any way we can.

Please write or call our office to let us know how we can be of assistance.

For will and estate planning purposes, our legal name and address are:

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CENTER FOR ESTATE AND GIFT PLANNING

mtw Mission to the World

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