



DON'T TAX YOURSELF

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The Tax Benefits of Giving Tuesday

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Since it began in 2012, [Giving Tuesday](#), the Tuesday after Thanksgiving, has become more and more popular. A recent survey suggests that [62% of Americans plan to participate](#) this year.

The main purpose behind Giving Tuesday is of course to provide financial support to non-profits. However, tax benefits can also accrue to donors. This is especially true for donor taxpayers who itemize their deductions. Taxpayers whose deductions exceed the standard deduction and otherwise qualify benefit by itemizing their deductions. See [IRS Tax Topic 501](#) for more information.

As part of the CARES Act, all taxpayers, regardless of whether they itemize, can receive an “above the line” tax deduction for up to \$300 of cash contribution to eligible organizations. See [COVID Tax Tip 2020-153](#) for more information. The [limitation of charitable deductions](#) to 60% of adjusted income was also relaxed for 2020.

This year [Giving Tuesday](#) falls on December 1, 2020. Those inclined to give are reminded that in addition to supporting the good work of nonprofits are the opportunities to reduce one's federal income tax.