

Community Foundation Research and Training Institute

PO Box 86

Grabill, IN 46741

[www.cfrti.com](http://www.cfrti.com)

[cfrtinstitute@gmail.com](mailto:cfrtinstitute@gmail.com)

*(260) 804-5617*

# Knowledge Nugget #6:

# Fund Development Part II - Strategies for Tax Smart Giving

# *Quiz Questions*

1. The CARES Act created a new $300 “above the line” charitable deduction ($600 for a married couple filing jointly) that is available to any taxpayer with taxable income. True or false?

*False. The $300 “above the line” deduction is available only for taxpayers who do not itemize.*

1. The $300/$600 “above the line” deduction is not available for gifts to donor advised funds or supporting organizations. True or false?

*True.*

1. Which of the following should be part of a tax receipt you issue to a donor for a charitable gift made in 2020?
   1. The date of the gift.
   2. The value of the gift.
   3. Whether or not the gift was given to a donor advised fund or a supporting organization.
   4. A statement that no goods or services were provided by the organization in return for the contribution, if that was the case.
   5. All of the above.

*e. All of the above.*

1. Which of the following is true for a charitable gift using a Qualified Charitable Distribution?
   1. The amount is limited to $100,000.
   2. The money must go directly from the investment firm to the charity.
   3. The QCD cannot go to a donor advised fund or be used to create an income-producing charitable gift (such as a charitable gift annuity).
   4. All of the above.

*d. All of the above*

1. If a donor no longer itemizes on their federal income tax return, there is no tax benefit for them to make a gift of appreciated securities. True or false?

*False. A donor can still avoid paying capital gains taxes, even if they don’t itemize.*

1. If a donor makes a gift of appreciated securities, the “wash sale” rules require that they wait at least 30 days before repurchasing that same stock. True or false?

*False. Wash sale rules only apply when a stock is sold at a loss.*

1. The age at which a donor must take a required minimum distribution from an IRA account has risen from 70 ½ to 72, but a donor can still use a QCD to make a gift in the year they reach age 70 1/2. True or false?

*True.*

1. A farmer can reduce their taxable income by making a charitable gift of grain they have delivered to the grain elevator, even if they don’t itemize on their tax return. True or false?

*True.*