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## The Tax Cuts and Jobs Act made significant changes to federal tax law. Learn how you can maximize your charitable giving for 2018 and beyond.

The Tax Cuts and Jobs Act, signed into law by the president in December 2017, offers several smart and tax-wise giving opportunities in 2018. Our experienced planned giving team is available to answer your questions and discuss personalized giving strategies. Every gift helps ensure that City of Hope's innovative research and compassionate patient care will be available until the day cures for cancer, diabetes and other diseases are discovered. Of course, each person's tax situation is unique, so please do consult with your tax and/or legal advisors.

### Tax-wise Giving Opportunities in 2018:

- **IRA charitable distributions may provide opportunities for income tax savings.**
  - **Give now:** For donors 70½ or older, a qualified charitable distribution from an IRA allows you to donate up to \$100,000 (\$200,000 for couples) from your retirement account to City of Hope. You may use this gift to satisfy the required minimum distribution from your IRA while reducing your taxable income, even if you don't itemize.
  - **Leave the remaining funds to City of Hope:** You may name City of Hope a beneficiary of all or some percentage of a retirement account, life insurance policy, bank or brokerage account. Doing so will ensure that your support for the transformative health care we provide becomes part of your enduring legacy.
- **A gift of appreciated assets is a smart way to support City of Hope.**
  - Capital gains tax rates have not changed, and a gift of appreciated stock is more beneficial than ever.
  - A gift of real estate can also benefit you and City of Hope. Many real estate markets are enjoying gains. You can avoid paying immediate capital gains taxes on appreciated property by making an outright gift of the property to City of Hope or by funding a charitable remainder trust or gift annuity.
- **Consider a gift that will provide you guaranteed lifetime income and tax benefits.**
  - Funding a gift annuity or charitable remainder trust with appreciated property allows you to avoid capital gains taxes and receive income taxed at a more favorable rate.
  - The deductions generated by these gifts are often more than the new standard deduction and if funded with cash, may be deducted up to 60% of your adjusted gross income.

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➤ **Giving through a donor advised fund offers flexibility for you and consistent support for City of Hope.**

- **Give now.** You may want to continue making an annual donation to City of Hope but may no longer be able to itemize and deduct your donations each year as a result of the tax change. You may choose to make a gift to a donor advised fund (DAF) in an amount greater than the standard deduction, allowing you to receive the tax advantages of giving in that year. You can then maintain your regular annual support to City of Hope through annual recommended grants from your DAF in subsequent years when you do not itemize.
- **Leave the remaining funds to City of Hope.** If you establish a DAF, you may designate City of Hope to receive a portion of the account value after your lifetime, leaving the remaining portion for your children or grandchildren to continue your legacy of philanthropy.

**We welcome the opportunity to answer your questions.  
Please contact one of our gift planning experts toll-free at  
800-232-3314 or by email at [plannedgiving@coh.org](mailto:plannedgiving@coh.org).**

**[myplanwithcoh.org](http://myplanwithcoh.org)**

## Quick Facts on the New Tax Cuts and Jobs Act:

### **New limits and/or changes to certain itemized deductions and the standard deduction:**

- The new law nearly doubles the standard deduction to \$12,000 for single taxpayers and \$24,000 for married taxpayers filing jointly.
- The ability to deduct charitable gifts remains, as long as itemized deductions surpass the standard deduction.
- Under the prior law, cash gifts to charity could be deducted up to 50% of adjusted gross income. Now, they can be deducted up to 60% of adjusted gross income, allowing some supporters to make larger gifts that are fully deductible.
- The “Pease limitation” has been repealed. This former provision resulted in taxpayers

losing up to 80% of their itemized deductions depending on their income.

- The new law places an itemized deduction limit of up to \$10,000 for state and local taxes, including property taxes.

**There are still seven tax brackets, but the tax rate is lower for the top 6 brackets; the top bracket is now 37% rather than 39.6%.**

**More estates will now be exempt from the estate tax.**

- The amount of money exempt from the estate tax has doubled to \$11.2 million per person and \$22.4 million per married couple.
- While very few people paid estate tax under the prior law, even fewer will pay estate taxes now.

**[CityofHope.org](http://CityofHope.org)**