

# MENTORS

The Saint Athanasius School  
Charitable Newsletter



*INVESTING IN THE FUTURE OF CATHOLIC SCHOOLS*

Saint A Education Assistance Trust

## HELLO

**Welcome to the Fall issue of the St. Athanasius charitable gift newsletter. Here is an update on the status of the Educational Endowment Fund and the St. Athanasius Educational Assistance Trust-(SEAT) fund.**

**The Educational Endowment Fund has a June 30, 2019 balance of \$1,296,966. The Endowment Fund contributed \$70,000 to the School last year.**

**The SEAT Fund has a June 30, 2019 balance of \$1,126,786. The SEAT fund provides immediate tuition assistance to lower income students at St. Athanasius. SEAT paid nearly \$46,000 in tuition assistance last year.**

**Charitable contribution tax laws have changed in the last two years. We will highlight those changes in this newsletter.**

**Please keep the educational endowment fund and SEAT fund in your charitable gifting plans. Contact any of your board members if you have questions or would like to make a donation.**





## **Maximizing the Tax Benefit of Your Donations**

The 2018 tax law increased the standard deduction for married taxpayers to \$24,000. (\$26,600 for married taxpayers over age 65) The standard deduction for singles was increased to \$12,000. (\$13,600 for singles over age 65) The standard deduction is indexed to inflation so the amounts will be slightly higher for 2019 and future years. In addition, the 2018 law limits the deduction for state income tax, property tax on your personal residence and the deductible portion of your license plate fees to an overall total of \$10,000. You may want to consider one of the following ideas to obtain a better tax benefit than donating cash.

If you own stocks or mutual funds with significant gains in a taxable account, here's a tax strategy to consider. You can donate appreciated stocks or a mutual fund that you've owned for a year or more instead of writing a check and giving cash. The tax benefits can really reduce the tax cost of the gift. That's because when you donate shares of an investment that has appreciated, you do not report the gain as taxable income. This tax benefit stems from the general rule that when you donate long term property, the deduction is equal to the donated property's fair market value. This results in two potential tax benefits: the avoidance of tax on the capital gains and a potential itemized deduction if you exceed the standard limits listed above.

Active farmers can donate grain inventory for their charitable contributions. It is important to note that the title to the grain must transfer to the charity prior to the sale. The farmer does not have to report the sale. Federal and State income taxes and self employment tax are all reduced due to the charitable gift. The farmer cannot double-dip and report the gift as an itemized deduction. Crop share landlords are not eligible for the grain gifting deduction.

The IRA Qualified Charitable Distribution rules remain in place for taxpayers age 70-1/2 and over. The IRA funds must be a direct transfer to the charity. The rollover does not work if you withdraw the money, deposit it into your account and then donate it to the charity. Charitable distributions cannot be more than \$100,000 per year. IRA Charitable distributions do count towards the required minimum distribution.

If you have questions about these strategies, please contact one of our board members and your financial advisors.



## St. Athanasius School Three Ways to Donate

- 1) **The St. Athanasius Educational Endowment Fund-A permanent fund that supports the school budget annually. The 2019-2020 school year pledge is \$70,000. When this year's pledge is filled the Endowment Fund will have provided the school with over \$1,000,000 since its beginning in 1998.**
- 2) **The St. Athanasius Educational Assistance Trust (SEAT)-The SEAT fund gives immediate tuition assistance to students from low income families. Other factors considered include:  
Loss of employment or change in employment status.  
Family medical issues.  
Disasters.  
The SEAT Fund has provided over \$171,000 in tuition assistance in its 5 short years of existence. The SEAT Fund expects to provide over \$70,000 in tuition assistance during the 2019-2020 school year.**
- 3) **The Archdiocese of Dubuque Student Tuition Organization (STO)  
The Archdiocese of Dubuque program gives donors a 65% State of Iowa tax credit. Donors can include the other 35% as a charitable contribution on their Federal income taxes if they itemize deductions.  
The donor can designate 50% of the donation to the Catholic school system of their choice. The remaining 50% of the donation goes to Catholic schools throughout the Dubuque Archdiocese.  
The funds provide tuition assistance to students from low income families attending Catholic schools within the Archdiocese.**





### Saint Athanasius Education Endowment Committee Members

If you wish to learn more about making a gift to Saint Athanasius School Endowment or SEAT, please contact one of our members...

**Father Jeffrey Dole**

Pastor, Saint Athanasius  
319-827-1050

**Roger Hershberger**

President (Retired), Hawkeye Tile, Inc.  
319-827-1688

**Pat Monat, CFP®**

President, Monat Wealth Management  
800-264-0785

**Todd Rohlfen**

CEO (Retired), Farmers State Bank  
319-827-1050

**Curtis Schares**

Vice President, Ocwen Loan Servicing, LLC  
319-827-6561

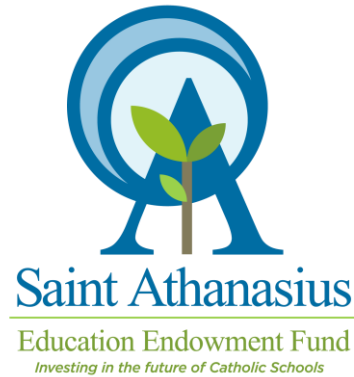
**Matt Thoma**

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319-427-2186

**Donald Weber, CPA**

RSFW & Co. CPA's  
319-827-6600

## Create Your Legacy





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Your future StArts with us.