



Roadway Intelligence
1970 Chalon Glen Ct
Livermore, CA 94550
www.roadwayintel.com

***Update on Educational and Charitable contributions by
Companies or Individuals as a result of the CARES ACT of 2020***

In March 2020 the US Congress passed Bill 116 H.R.748enr which is more commonly referred to as the CARES ACT of 2020. This was the first financial stimulus package to address impact to the economy due to the CoronaVirus. In addition to the direct to people stimulus and availability of forgivable loans to employer, it also had a number of changes to the IRS code that are in effect ONLY through the end of Calendar Year 2020. The changes below are related to lifting of limitations on tax deductions for charitable contributions that may cover multiple years, but have to be transacted in 2020.

There are 3 sections that are relevant to contributions and support for interaction with Roadway Intelligence. These are CARES ACT: SEC 2204, SEC 2205, and SEC 2206. They relate to Roadway Intelligence (RI) as it is a Charitable Non-Profit Corporation as identified under the IRS code for section 170(b)(1)(A)(i), 170(b)(1)(A)(ii), 170(c)(2)(A) and 170(c)(2)(B)

SEC 2204. ALLOWANCE OF PARTIAL ABOVE THE LINE DEDUCTION FOR CHARITABLE CONTRIBUTIONS.

Summary: More than the standard amount of charitable contribution to a valid charitable non-profit organization is deductible for an individual in 2020.

SEC. 2205. MODIFICATION OF LIMITATIONS ON CHARITABLE CONTRIBUTIONS DURING 2020.

Summary: There is a temporary (2020) suspension on the limitations on certain cash contributions to qualified charities.

For Individuals: "Any qualified contribution shall be allowed as a deduction only to the extent that the aggregate of such contributions does not exceed the excess of the taxpayer's contribution base."

For Corporations: "Any qualified contribution shall be allowed as a deduction only to the extent that the aggregate of such contributions does not exceed the excess of 25 percent of the taxpayer's taxable income "

SEC. 2206. EXCLUSION FOR CERTAIN EMPLOYER PAYMENTS OF STUDENT LOANS.

Summary: There is a change for 2020 that DENIES the double benefit of educational costs and loans for employees, (full or part time and those on furlough) by Corporations or other businesses.

Corporate Certificate School, by offering a tuition free program, and **Roadway Intelligence** being classified as a charitable non-profit which can receive cash contributions for its general use, can still provide the double benefit to companies through its internship and apprenticeship programs.

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