



## Key Tax Changes Impacting Philanthropy in 2026

As a result of the *One Big Beautiful Bill Act*, enacted in July 2025, several tax law changes may affect charitable giving strategies beginning in 2026 and beyond.

### What This Means for Planned Giving

Despite these changes, charitable giving through a will, trust, IRA, or lifetime gifts of appreciated assets continues to be an effective way to support the causes you care about. For personalized guidance, we encourage you to consult with your tax or estate advisor. Our team is also available to discuss how these updates may influence your philanthropic plans.

- **For donors who claim the standard deduction:**

- The standard deduction has increased:
  - Single or Married Filing Separately — \$15,750
  - Head of Household — \$23,625
  - Married Filing Jointly or Qualifying Surviving Spouse — \$31,500
- Charitable gifts are no longer entirely restricted from the standard deduction.
  - Single donors can deduct up to \$1,000; married couples up to \$2,000

- **For donors who itemize their deductions:**

- A charitable deduction “floor” of **0.5% of Adjusted Gross Income (AGI)** has been introduced.
  - *Example:* If your AGI is \$200,000, the first \$1,000 of charitable contributions will not be deductible; only amounts exceeding that threshold will qualify.

- **Estate Taxes and Gift Tax Changes:**

- The federal estate and gift tax exemption rises to \$15 million per person (indexed for inflation), meaning very few estates will owe federal estate tax.
- These laws differ from state to state. The threshold for state taxes might be lower depending on where you live.

**Additional Considerations:**

- Non-cash giving strategies—such as Qualified Charitable Distributions (QCDs), gifts of appreciated securities, or grants from Donor-Advised Funds—remain effective tools for maximizing both philanthropic impact and potential tax benefits.
- For individuals with larger estates, planned giving and legacy gifts may continue to offer meaningful advantages despite these legislative changes.