

Big Changes for Charitable Giving in 2026



Evolving Philanthropic Trends and Insights



Big changes

FOR GIVING IN 2026 TAX LAW

Changes introduced in the One Big Beautiful Bill Act (OBBBA) are in effect for the first time in 2026.

We are not tax experts or lawyers. We are not financial advisors. We just spend a lot of time understanding donor motivation, organizational impact reporting, and



CHANGES FOR Everyday Givers

Tax Benefits Without Itemizing

Low-level givers can now deduct direct cash donations of \$1,000 (single) - \$2,000 (married) on their taxes without itemizing. Gifts from Donor-Advised Funds do not qualify.



DONOR BENEFIT

A direct reduction in taxable income without the complexity of itemizing.



ORGANIZATION BENEFIT

Opens up a new base of entry-level donor prospects who may not have previously given due to required itemization.

ADD IT TO YOUR Annual Report

Consider starting a "\$1,000 Club" with this year's report.

Send the report and direct ask to those who donated \$250-\$999 in the last year. Explain how the new rule benefits both you and them when they join the "Club"! Be sure to add their names to the following years report.

CHANGES FOR

Mid to Major Givers

New Incentive to Itemize and Save Big

For mid- to high-level donors, itemizing their taxes just became highly beneficial. The limit on writing off state and local taxes (SALT) jumped **from \$10,000 to \$40,400**. This increase helps mid-level donors clear their standard tax hurdle and unlocks extra federal tax savings for larger gifts.



DONOR BENEFIT

Large donations finally trigger extra tax savings when local taxes push donors past the standard deduction threshold.



ORGANIZATION BENEFIT

A new pipeline to upgrade standard donors to become major givers.



CHANGES FOR

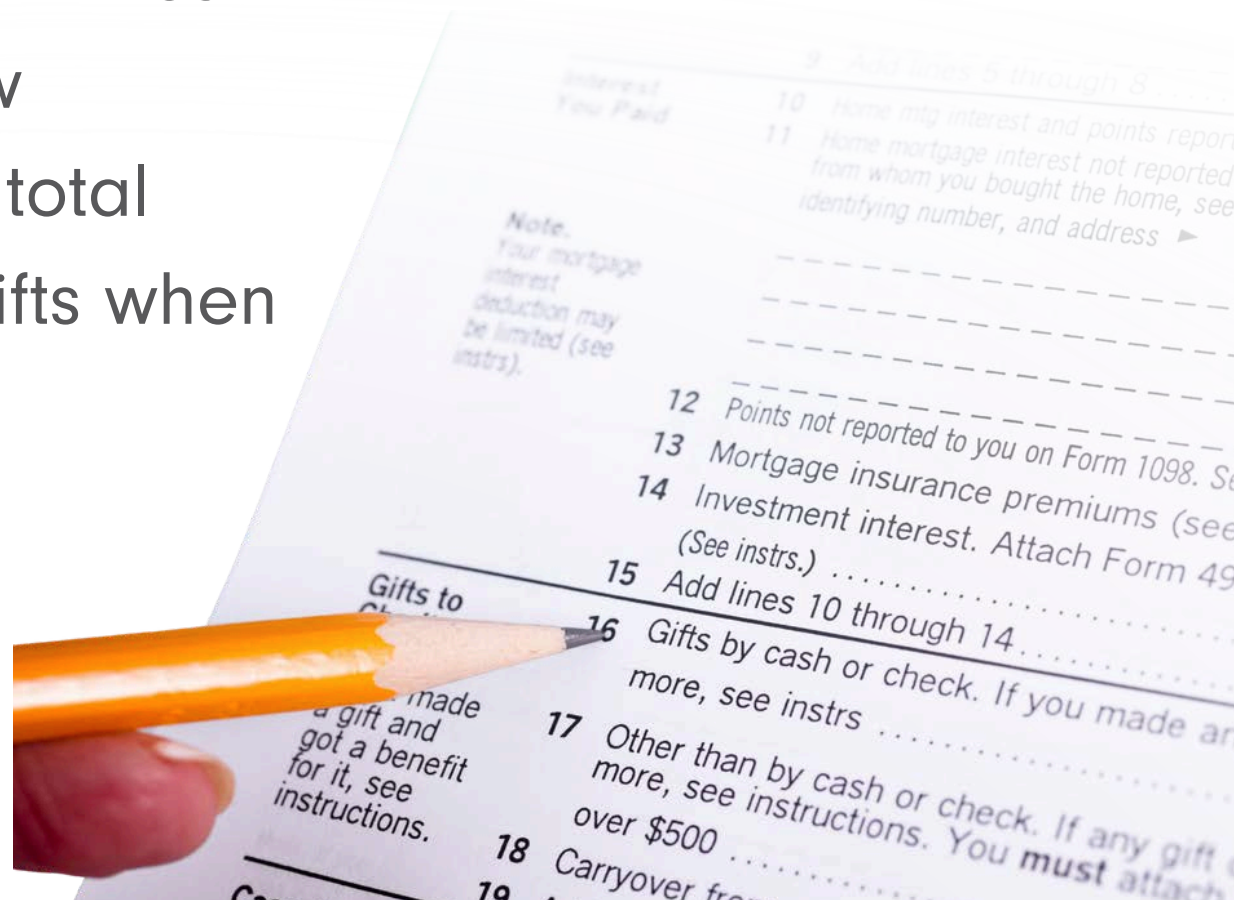
High-Level Donors

New Minimums For Itemizers

Larger donors who likely itemize their taxes face a new rule where the first 0.5% of their income given to charity cannot be written off.

Permanent Tax Breaks for Major Cash Giving

The 0.5% minimum rule actually incentivizes more giving when paired with a new permanent rule stating up to 60% of total income can be written off as cash gifts when donated or put into a DAF.



DONOR BENEFIT

Avoiding the 0.5% floor is as simple as combining multiple years of gifts into a single year, allowing you to use the 60% deduction limit to get the largest possible tax savings.



ORGANIZATION BENEFIT

This secures larger, multi-year funding upfront, replacing small annual donations with highly predictable, long-term support.

CHANGES FOR

Family & Legacy Givers

Lifetime Federal Estate and Gift Tax

Exemption Recent federal tax legislation has permanently increased the lifetime federal estate and gift tax exemption to a historic \$15 million (individual) and \$30 million (married couple).

Sunset rule permanently averted, which gives families a stable long-term window to coordinate significant legacy wealth transfers.

ESTATE PLANNING



DONOR BENEFIT

Eliminates the pressure of rushing to make massive, irreversible lifetime gifts before an arbitrary legislative deadline.



ORGANIZATION BENEFIT

Stabilizes legacy fundraising. Add to planned giving pages under 'A Permanent Opportunity' to transition donors to structured estate plans.

THE QUIET WIN FOR Seniors & Retirees

Qualified Charitable Distribution (QCD)

Individuals age 70½ or older can transfer up to **\$111,000** directly from an IRA to a qualified charity tax-free in 2026.



DONOR BENEFIT

Satisfies all or part of your Required Minimum Distribution (RMD) without adding to your taxable income or raising your tax bracket.



ORGANIZATION BENEFIT

Secures immediate, tax-free cash directly from IRAs, providing your nonprofit with a highly reliable and predictable stream of annual support.

ADD IT TO YOUR Annual Report

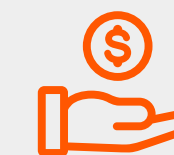
Consider starting an “IRA Impact Circle” with this year’s report.

Send the report and direct ask to those aged 70½ or older. Explain how transferring their mandatory RMDs directly to your cause satisfies their annual IRS requirements while completely avoiding income tax on the withdrawal!

THE QUIET WIN FOR **Seniors & Retirees**

Split-Interest / Life-Income Election

Eligible donors can make a once-in-a-lifetime QCD transfer of up to **\$55,000** in 2026 to fund a Charitable Gift Annuity (CGA) or Charitable Remainder Trust (CRT).



DONOR BENEFIT

Supports a favorite charity while securing a reliable, lifetime stream of personal retirement income.



ORGANIZATION BENEFIT

Builds a planned giving pipeline. Pitch to those approaching RMD age as a win-win income and legacy option.

HOW THESE CHANGES IMPACT YOUR

Annual Report Timing & Call to Action



What the giving calendar shows us.

Annual giving isn't spread evenly across the year — it's stacked hard at both edges of the calendar.



37%

of all 2025 online revenue arrived in December alone
M+R Benchmarks, 2026

10%

landed in the final week of December (Dec 25–31)
M+R Benchmarks, 2026

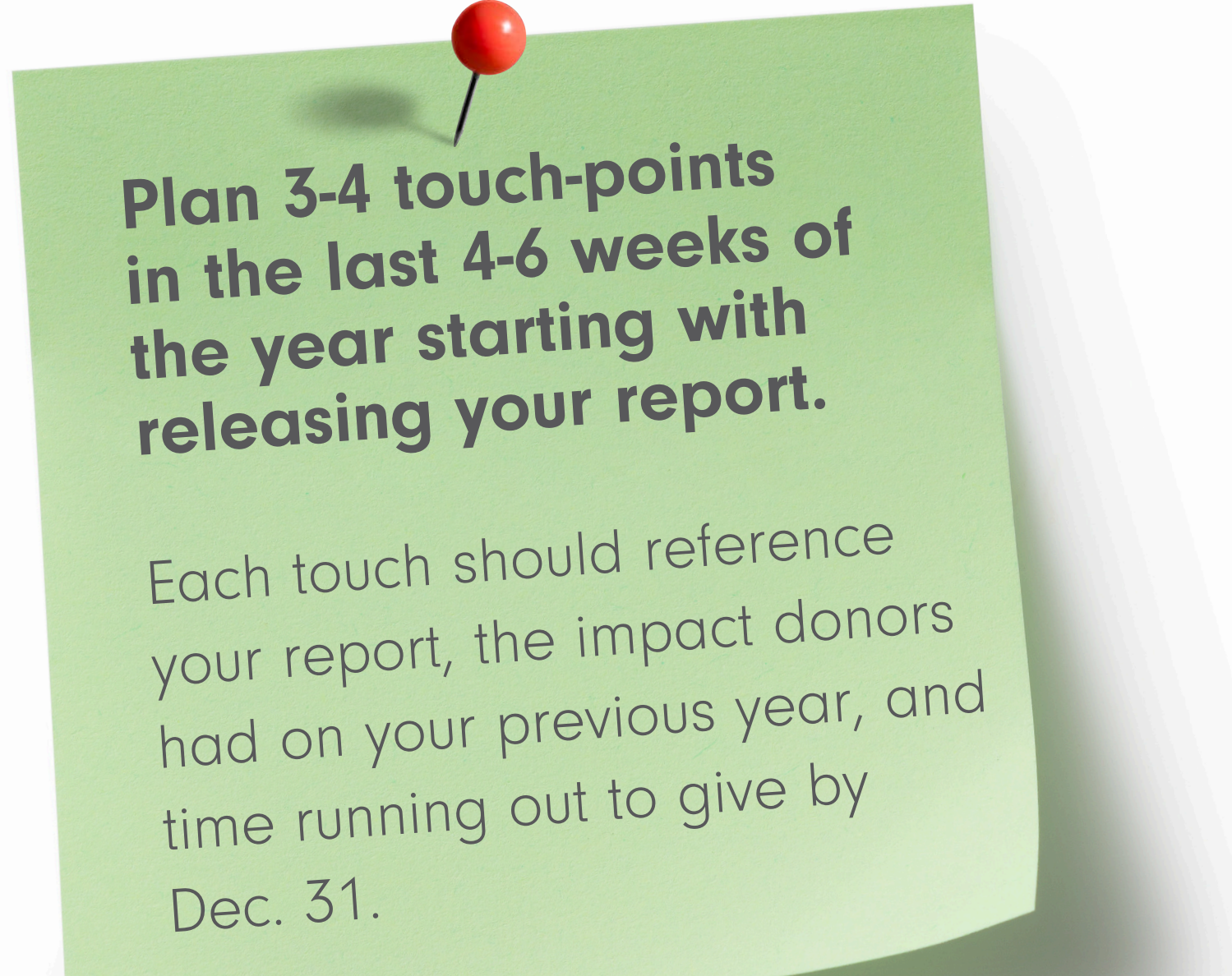
3-5%

is the average monthly share from Jan. - Mar. — the flattest stretch of the year



Distribute Mid-November

Your report becomes the trigger — not just a thank-you. The new law hands donors real reasons to act before the calendar turns.



Plan 3-4 touch-points in the last 4-6 weeks of the year starting with releasing your report.

Each touch should reference your report, the impact donors had on your previous year, and time running out to give by Dec. 31.

For Low Level Givers:

they cannot use the new \$1,000 / \$2,000 universal deduction for 2026 if they don't give by Dec 31.

For Mid-Level Donors:

the \$40,400 SALT cap makes itemizing worth it again — while the tax year is still open.

For Major Donors:

They will be bunching multiple years of gifts ahead of the 0.5% AGI floor. Start the conversation now! Lock them in by the time your report hits.

Distribute After April 15

If year-end isn't realistic, wait. Those anticipated benefits are just an idea until taxes are filed and the numbers become real.



For Low-Level Givers:

We may see more refunds than ever before and now is a good time to remind them of the \$1,000 / \$2,000 universal reduction again.

For Mid- to High-Level Donors:

They will be feeling either the benefit or the sting of tax time, either way the timing is ripe to approach an ask, focused on real impact with the added tax benefits for the current year.

REMEMBER...

A Mailed Report Doesn't Always Mean a Mailed Check.



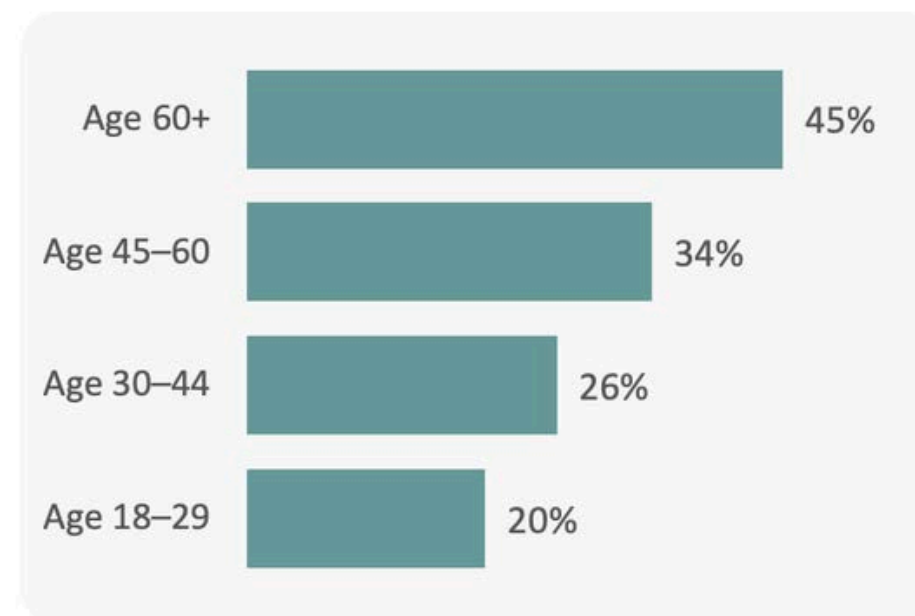
The Halo Effect:

29%

of donors giving through a website were reached by another channel first — a mailed report counts.

Source: Data Axle, via The NonProfit Times

Who Responds to Mail?



Mail Still Raises Real Money

On average, for every \$1 raised online, \$0.78 is raised offline

ONLINE



OFFLINE



Source: Blackbaud / GoHarness

YOU'RE NOT ALONE.

Have a Deployment Strategy

Timing is a strategy decision, not a scheduling one — and it's exactly the kind of call we help our nonprofit partners make.



Ask About Our Report Readiness

Sessions: a 60-minute session to pressure-test your content, timing, and deployment plan. **\$149**

