



# Building the Dual-Track Strategy

An October Framework



# Context

The One Big Beautiful Bill has created contradictory forces that most nonprofits don't yet understand: your major donors will face 5-7% higher giving costs starting January 2026, while simultaneously 100 million households gain access to charitable tax deductions for the first time since 2017.

This playbook transforms these opposing realities into a sophisticated dual-track opportunity through a proven four-week framework designed for small and medium nonprofits.

Rather than waiting to react in 2026, you'll help committed supporters optimize their giving before new restrictions take effect while launching monthly giving programs positioned to capture the largest expansion of charitable tax benefits in decades.

Execute this strategy now, and you'll strengthen donor relationships and build sustainable revenue streams while your peers scramble to understand what happened. The choice is simple: lead these conversations or watch donors navigate changes you could have guided them through.

# Track 1: Major Donor Optimization

## (Focus on \$10K-\$100K Donors)

The OBBB's divergent impact on different donor segments demands a sophisticated, dual-track approach tailored to your donor base.

### Target Audience:

Donors with **\$200,000-\$500,000 AGI** who currently itemize—your board members, local business owners, and committed supporters

### October Objectives:

- 1** Educate about changes taking effect January 1, 2026
- 2** Identify donors most affected by the coming AGI floor
- 3** Present strategic giving options for maximizing 2025 benefits
- 4** Encourage increased giving before restrictions

### The Education Approach

Frame the conversation around their specific situation:

*"As someone who gives generously at the \$10,000+ level, you should know about tax changes taking effect in 2026. For donors at your giving level, the new rules could increase your cost of giving by 5-7%. We want to help you plan strategically."*

## Strategic Options to Present

The Bunching Solution (Scaled for Mid-Level Donors) Fidelity Charitable recommends "bunching" even for donors at the \$10,000-\$25,000 level:

Give 2-3 years worth of donations before December 31, 2025

Use a simple donor-advised fund to maintain annual support

Clear the AGI floor threshold more efficiently

Take standard deduction in alternate years

**Example:** A donor with \$300,000 AGI who typically gives \$10,000 annually could give \$30,000 to a DAF in 2025, then recommend \$10,000 grants for three years. This strategy overcomes the \$1,500 AGI floor while maintaining steady support.

## Simplified Asset Giving

Even mid-level donors often have appreciated assets:

Appreciated stock from employer compensation

Long-held mutual funds with gains

Small business ownership interests

**The key message:** *"You don't need to be wealthy to give smart. If you have appreciated stock worth \$10,000, giving it directly saves you capital gains tax while supporting our mission"*

# Track 2: Monthly Giving Revolution

## (Your Largest Opportunity)

### Target Audience:

Your entire donor base earning \$40,000-\$150,000 who don't itemize

### October Objectives:

- 1** Build awareness that EVERYONE gets a tax deduction starting 2026
- 2** Launch "Founding Member" monthly program
- 3** Set achievable price points (\$25/\$42/\$83/\$167)
- 4** Create community around monthly giving

### The Messaging Framework

Make it relatable and exciting:

*"Big news! Starting in 2026, Congress is giving every American a charitable tax deduction—even if you don't itemize. You can deduct up to \$1,000 as an individual or \$2,000 as a couple. We're launching a monthly giving program designed to help you maximize this new benefit while providing steady support for our mission."*

**Important to communicate:** This deduction only applies to direct cash gifts to our organization—not to donor-advised funds. Monthly giving is the perfect vehicle.



## The Founding Member Pitch with Multiple Tiers

### Friend Level

\$25/month (\$300/year) -  
Building the foundation

### Supporter Level

\$42/month (\$504/year) -  
Making steady impact

### Partner Level:

\$83/month (\$996/  
year) - Maximizing  
individual deduction

### Leadership Level:

\$167/month (\$2,004/  
year) - Maximizing  
family deduction

### First 100 members at any level receive:

Founding member recognition, Quarterly insider updates,  
Special access to events, Rate protection forever

## The Simplified Tax Benefit Message

Keep it simple  
and compelling:

*Join at \$83/month and here's what happens:*

- You give **\$996** per year (less than \$3/day)
- You deduct the full **\$996** on your taxes
- You save approximately **\$220** (assuming 22% tax bracket)
- Your actual cost: about **\$2/day** to change lives"

# Integration Points: Making Both Tracks Work Together

For small and medium nonprofits, integration is essential:

## Board Leadership

Board members giving \$10,000+ lead by example on bunching

They also join monthly giving to show commitment

Their stories inspire both tracks

## Peer Influence

\$10,000 donors can sponsor monthly giving challenges

Monthly donors can upgrade to major giving over time

Create connection between both donor groups

## Simplified Operations

One October campaign with two messages

Shared timeline and goals

Unified celebration in December

# The Corporate Giving Transformation

The OBBB's 1% corporate taxable income floor affects even small corporate sponsors:

## Local Business Impact

A local business with \$500,000 in taxable income must give more than \$5,000 before claiming any deduction. For many small nonprofits, this means your \$2,500 corporate sponsors may disappear.

## Strategic Response:

Focus on employee engagement over corporate checks

Propose giving that exceeds the 1% threshold

Partner on customer engagement initiatives

Create visibility opportunities that provide marketing value

## Additional Opportunity: Education Support Tax Credit

Starting in 2027, the OBBB introduces another giving incentive particularly relevant for community-based nonprofits:

Up to \$1,700 tax credit for donations to qualifying Scholarship Granting Organizations

Available to ALL taxpayers regardless of itemization

Perfect for education-focused programs



# Early Implementation: October Action Steps for Small/Medium Nonprofits

Success requires realistic execution within your capacity:

## Week 1 (October 1-7): Foundation Setting

### Quick Analysis

- Export donors who gave \$5,000+ in last 3 years
- Identify your top 50 households by total giving
- Count current monthly donors
- Flag anyone who's given stock

### Team Preparation

- 30-minute staff meeting on OBBB changes
- Create simple FAQ (1 page)
- Practice explaining both opportunities
- Board president makes first gift

## Week 2 (October 8-14): Major Donor Outreach

### Focused Outreach

- Executive Director calls top 10 donors
- Board members each call 2-3 donors
- Send educational email to \$5,000+ donors
- Focus on \$10,000-\$50,000 segment

### Simple Education

- One-page OBBB summary
- Bunching explanation with clear example
- Invitation to discuss personally
- No pressure, just information

## Week 3 (October 15-21): Monthly Program Launch

### Soft Launch

- Email to current donors under \$1,000
- Board and staff sign up first
- Share on social media
- Create simple landing page

### Keep It Simple

- Use existing payment processor
- Basic welcome email series
- Recognition on website
- Track in spreadsheet if needed

## Week 4 (October 22-30): Build Momentum

### Follow Up

- Second touch to major donors
- Share early monthly giving success
- Celebrate first 25 founding members
- Plan October conversations

# Overcoming Common Objections: Practical Scripts

## From Your \$10,000-\$50,000 Donors

**"I'm not a major donor"**

**Response:**

*"You may not think of yourself as a major donor, but your \$10,000 annual support puts you in our top 5% of donors. The new tax law affects anyone who itemizes deductions. For someone at your giving level with [estimated AGI], you're looking at about \$500 in additional cost to maintain your giving. We want to help you plan around that."*

**"\$83 seems random"**

**Response:**

*"It's actually perfectly calculated! \$83 monthly equals \$996 per year—just under the \$1,000 maximum deduction for individuals. You get the maximum tax benefit while we get predictable support. But we have options at every level, starting at just \$25/month."*

## From Internal Stakeholders

**"Our donors aren't wealthy enough to care"**

**Response:**

*"That's exactly why the universal deduction is so powerful for us. Every single donor who doesn't itemize—which is 90% of Americans—gains a new tax benefit. Meanwhile, our \$10,000 donors face real increases in giving costs. Both groups need to hear from us."*

**"We don't have capacity for this"**

**Response:**

*"That's why we start simple. Focus on your top 50 donors for the major gift track. Launch monthly giving with basic tools. You don't need sophisticated technology—you need clear communication in October rather than competing in December."*

# The October Success Formula: Realistic Metrics

For small and medium nonprofits, set achievable goals:

## Activity Metrics (October)

### Major Donor Track:

- Contact 100% of \$10,000+ donors (even if just 10-20 people)
- Schedule meetings with 25% (5-10 meetings)
- Identify 3-5 bunching candidates
- Process 1-2 stock gifts

### Monthly Giving Track:

- Launch to email list (whatever size)
- Recruit 25-50 founding members
- Achieve \$2,000-\$5,000 in monthly commitments
- Get 100% board participation

## Outcome Metrics (December)

Realistic Success:

**20%**

increase in  
major gifts

**2-3**

successful  
bunching gifts

**50-100**

monthly  
donors recruited

**\$25k-\$50k**

in new  
annual revenue



 Harness

