2026 Charitable Planning Cheat Sheet

OBBBA reminders + qualified charitable distributions (QCDs)

$15 MILLION	0.5% OF AGI	AGE 70½	$111,000
2026 estate exemption / person	New itemizer floor	QCD eligibility	2026 QCD limit / IRA owner

OBBBA: 2026 ADVISOR REMINDERS

- **Non-itemizer deduction —** Cash gifts may qualify up to $1,000 ($2,000 MFJ). Contributions to DAFs and supporting organizations do not qualify.
- **Itemizer floor —** Only contributions exceeding 0.5% of AGI are deductible. Model bunching and larger funding years.
- **Top-bracket limitation —** For taxpayers otherwise subject to the 37% rate, OBBBA generally limits the federal tax-rate benefit of itemized deductions to 35%, based on a statutory formula.
- **Standard deduction —** $16,100 single; $32,200 MFJ; $24,150 head of household. Test whether bunching creates an itemization year.
- **Estate and gift tax —** Basic exclusion is $15 million per person; annual exclusion is $19,000 per recipient. Lead with legacy and income-tax planning when estate tax is not the driver.
- **Corporate gifts —** A 1% taxable-income floor generally applies before corporate charitable contributions are deductible; the percentage ceiling remains.

QCD FAST RULES

- **Who —** IRA owner age 70½ or older on the distribution date. The limit is $111,000 per eligible owner for 2026.
- **How —** The IRA trustee must transfer funds directly to an eligible charity. Build in processing time before year-end.
- **Tax result —** The QCD is excluded from gross income; no separate charitable deduction. It can count toward the owner's RMD.
- **Eligible accounts —** IRAs, including traditional, inherited, and Roth IRAs. A SEP or SIMPLE IRA qualifies only if it is not 'ongoing' for the year. Employer retirement plans, such as 401(k), 403(b), and 457 plans, are not direct QCD sources
- **Not eligible —** DAFs, supporting organizations, and most private foundations. No quid pro quo; substantiation rules still apply.
- **Planning edge —** Because a QCD is an income exclusion, the new 0.5% itemized-deduction floor does not reduce its federal tax benefit.

PUT QCDs TO WORK AT THE COMMUNITY FOUNDATION

DESIGNATED FUND	FIELD-OF-INTEREST FUND	UNRESTRICTED FUND
Support one or more named charities.	Support a defined cause or community need.	Give CFTB flexibility to address changing needs.

CONVERSATION STARTERS

- Will the client itemize in 2026—or should several years of giving be bunched?
- Is the client 70½+ and giving cash that could instead come from an IRA?
- Does the client hold appreciated securities or business interests?

Advisor note: Rules vary with the taxpayer, asset, recipient, and timing. Confirm eligibility, deduction limitations, substantiation, and state-law treatment with the client's tax and legal advisors.

Sources (current as of Sept. 8, 2026): IRS Notice 2025-67; IRS 2026 inflation adjustments; Internal Revenue Code §§ 408(d)(8), 170. OBBBA = Pub. L. 119-21.