

Strategic Giving Checklist

What values are you honoring with your charitable gifts? How are you putting your money where your heart is?

Review where you gave money in the past year. How much and to whom? Did this align with your values?

Where do you intend to take the donation money from?

1. Appreciated Stock?

You can avoid paying capital gains tax by simply transferring securities with gains in taxable accounts to charities. They don't have to pay tax when they sell, so it's a win-win for everybody. Your brokerage can help you do this.

2. Donor Advised Fund?

A Donor Advised Fund (DAF) is an account you set up with brokerages or other charitable organizations where you set aside money for qualified charities. When you make the gift to the DAF, you get a tax deduction (assuming you get over the standard deduction on Schedule A). From there you can let the money grow (making gifts at least as often as the DAF requires) or you can make grants to the organizations you want to support.

3. Qualified Charitable Distribution (QCD) from an IRA?

If you are over age 70 1/2, you can give up to \$111,000 (2026) from your IRA to a qualified charity. Once you are age 73, and must take required minimum distributions, this can be a good way to avoid paying tax on those mandatory distributions. A QCD cannot go to a DAF or a supporting organization. You'll have to check to see if your charity is a supporting organization. This is not always obvious, so please check.

You can also do a one-time distribution from your IRA of up to \$55,000 (2026) to a Charitable Remainder Trust (CRT) or Charitable Gift Annuity (CGA). These vehicles provide tax-advantaged income streams so they may make sense in the right circumstances.

Have a CPA or other professional guide you through these distributions. You need to designate them correctly on your tax return.

4. Write a check?

Can your gift be matched?

Perhaps you may want to plan your donation at a time where contributions are more likely to be matched. Or perhaps you can make a gift that matches other people's gifts.

Are you making gifts to people?

The annual exclusion amount for 2026 is \$19,000. Each person can give that amount to anyone and not have to pay gift tax. If you want to go above that amount, you have a lifetime exclusion of \$15 million (per spouse). Your CPA or estate attorney can help you keep track of these gifts. They need to be reported to the IRS in a gift tax return even if you don't currently owe any tax.

If you are planning to make gifts to charities, you'll need to think about how much of those gifts can be deductible on Schedule A. If you don't itemize, in 2026 you can take an "above-the-line" charitable deduction of up to \$1000 for single filers and \$2000 for MFJ.

This may be more complicated depending on the type of gift (stock? art? cars?), but most typically you can't give more than 30% of Adjusted Gross Income (AGI) for appreciated stock or 60% of AGI for cash gifts.

Note: Starting in 2026, itemized charitable deductions must be reduced by 0.5% of AGI. In addition, if you are in the top 37% tax bracket, your itemized deductions are limited to 35% (not the full 37% bracket amount).

Do you want to make gifts in someone's honor (still alive) or memory?

Are these gifts sustainable (can the organizations continue to count on you?) Can you get to know those organizations better throughout the course of the year?

Have you become the successor to someone else's DAF?

As you distribute the money from this account, think about what values and organizations were important to the original owner. How can you continue to honor their spirit and give in ways that best represent those values today?

Using your Net Worth Statement, calculate how much will actually flow through to your beneficiaries – both people and charities.

If you've set up percentages to receive assets, see how much money actually flows to those organizations and people. Are you still comfortable with those amounts?

If you have a Donor Advised Fund, review how it is invested to see if anything needs to change.

Also review any fees that are based on balances to see if you can minimize charges by adding to the fund.

Strategic Giving Punch List

Apply the checklist to your own situation and create your own gameplan for giving this year

Who do you want to make gifts to this year? Will any be in honor or memory of someone?

Where will you take the money to give (brokerage, checking, DAF, QCD)?

How much is your traditional IRA Required Minimum Distribution this year?

What do you estimate your AGI will be this year? What's 30% and 60% of that? Any issues?

Will your itemized charitable deductions be limited by the 0.05% of AGI carve out or the 35% phase-out in the 37% bracket?

Will you use the "above-the-line" charitable deduction if you don't itemize?

What's the current balance of your DAF? How is it invested and how much are you paying in fees?

When do you want to make the gifts? Can they be matched?

How can you get to know the organizations better?

Looking at your Net Worth Statement, how much money flows to each heir and each charitable organization. Do you need to change anything?
