

The December Deadline: Navigating the New Charitable Giving Landscape after HR1

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**The Women's
Foundation of Colorado**

Women Thriving. Colorado Rising.®

Tonight's Context



The rules have changed but the need has not.

- **What changed** for charitable giving
- **How to give strategically** in this new environment
- **Why your generosity** matters more than ever

What Changed on July 4, 2025



Three major charitable giving changes:

1. New floors and caps for itemizers
2. New deduction for non-itemizers
3. Corporate giving threshold

Effective date: January 1, 2026

Donor Types



- Itemizers: Higher-income donors with significant deductible expenses
- Standard deduction donors: Middle-income earners (historically no tax benefit from giving)
- Corporations

Meet Sarah: Itemizer



- Single, \$800,000 AGI, considering a \$25,000 year-end gift
- New floor: 0.5% of AGI, reduced deduction value: 35%

2025	2026
Tax bracket: 37%	
Deductible amount: \$25,000 Tax savings: $\$25,000 \times 37\% = \$9,250$ Net cost: $\$25,000 - \$9,250 =$ \$15,750	New floor: $\$800,000 \times .5\% = \$4,000$ Deductible amount: $\$25,000 - \$4,000 =$ \$21,000 Tax savings: $\$21,000 \times 35\% = \$7,350$ Net cost: $\$25,000 - \$8,750 =$ \$17,650
Gift will cost \$1,900 more out of pocket in 2026 than it will in 2025	

Meet Jennifer: Non-Itemizer



- Married, \$150,000 AGI, annual \$1,000 gift to WFCO
- NEW above-the-line deduction: \$1,000 single/\$2,000 MFJ

2025	2026
Tax bracket: 22%	
Deductible amount: \$0 Net cost: \$1,000	Deductible amount: full \$1,000 Tax savings: $\$1,000 \times 22\% = \220 Net cost: $\$1,000 - \$220 =$ \$780
Gift will cost \$220 less out of pocket in 2026 than it will in 2025	

Meet Colorado Tech: Corporate



- Mid-size company, \$2M in taxable income, longtime \$15K sponsor of WFCO's Annual Luncheon
- New floor: 1%, ceiling (unchanged): 10% of taxable income

2025	2026
Corporate tax rate: 21%	
Deductible amount: full \$15,000 Tax savings: $\$15,000 \times 21\% = \$3,150$ Net cost: $\$15,000 - \$3,150 = \mathbf{\$11,850}$	New floor: $\$2M \times 1\% = \$20,000$ Deductible amount: \$0 Tax savings: \$0 Net cost: full \$15,000
Gift will cost \$3,150 more out of pocket in 2026 than it will in 2025	

Tools Beyond Cash



- **Appreciated securities:** still capital gains savings + deduction
- **IRA Qualified Charitable Distribution:** not affected by HR1
- **Planned giving:** life insurance, bequests, trusts
- **Donor-advised funds:** charitable “savings account”, use for bunching

Tools Beyond Cash: DAF'S



DAF's (donor-advised funds) are an increasingly popular giving vehicle to maximize impact & an effective tool for bunching donations.



Give

Fund DAF & receive
immediate tax
deduction



Grow

Fund is invested &
grows tax-free



Grant

Recommend grants
to organizations you
care about

Act Before December 31, 2025



- **Bunching:** Combine multiple years of giving into 2025
 - Use a donor-advised fund
- **Accelerating:** Make 2026 gifts in 2025
 - Including corporate donations!
- **Maximizing:** Take advantage of the current rules one more time
- **Bottom line:** If you've been considering a major gift, now is the time.

What We Haven't Talked About



We've spent 20 minutes
talking about tax rules,
deductions, and timing.

The Real Impact of HR1



When policy shifts, people feel it first.

- Families facing benefit cuts need emergency assistance
- Grassroots organizations lose federal funding overnight
- Advocacy becomes essential to protect progress

WFCO puts your dollars where they matter most –

Funding community-led solutions in all 64 Colorado counties, advocating for local and state policy that protects progress and defends rights, and directly into the hands of Colorado women & their families.

The Research Shows



When safety nets shrink, community steps up.

- Federal supports are **decreasing**.
- Community need is **increasing**.
- Philanthropy will help bridge the **gap**.

This is the moment when your generosity matters most.

Stay Connected



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wfcO.org/signup

Thank you!

- We're here to help you navigate the changes
- Connect with our development team
- Schedule a conversation - with us & your financial planning team
- www.wfco.org/give or on Colorado Gives Day, 12/9

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