

Quick Guide to Planning Your Gift

Turning Point™
with Dr. David Jeremiah

But do not forget to do good and to share, for with such sacrifices God is well pleased. (Hebrews 13:16)

Gift	How and Why
OUTRIGHT GIFTS	
Cash	**Write a check or use a credit card.** Itemizers may qualify for an income tax charitable deduction for the full amount (up to 60% of adjusted gross income). Nonitemizers can deduct up to $1,000 ($2,000 for joint filers).
Securities	**Typically, you would transfer to charity an appreciated asset (stocks, bonds) held for more than one year.** The gift qualifies for an income tax charitable deduction for the full fair market value (FMV), even though you owe no capital gains tax on the asset's appreciated value.
Closely Held Stock	**A business owner gives stock to charity, then the corporation may repurchase the same stock in an arm's length transaction.** The FMV of the stock qualifies for a deduction, and no capital gains tax is due.
Tangible Personal Property	**Donate property to charity.** The gift qualifies for an income tax charitable deduction for the full FMV if the charity uses the gift property for its tax-exempt purposes (otherwise, the deduction is limited to the adjusted cost basis). A qualified appraisal is usually necessary to substantiate the value of property claimed as the basis for a charitable deduction over $5,000.
LIFE INCOME GIFTS	
Charitable Gift Annuity	**Donate assets (usually cash or securities) to charity in exchange for fixed annuity payments.** The gift portion qualifies for an income tax deduction; part of each payment may be considered a tax-free return of principal; and capital gains tax on the transfer is spread over your life expectancy if you are the annuitant.
Charitable Remainder Annuity Trust (CRAT)	**Set up a Trust (usually funded with cash or securities) that pays a specific annual benefit to one or more people for life or for a period up to 20 years, after which time the remaining trust property goes to the selected charity.** The gift qualifies for an income tax charitable deduction and, if funded with long-term appreciated property, may bypass the capital gains tax.
Charitable Remainder Unitrust (CRUT)	**A CRUT is similar to a CRAT, except the income amount varies each year as trust assets are revalued, and it can accept additional contributions.** A CRUT may be funded with cash, securities, and other assets. It offers the same benefits as a CRAT but with different funding and payout options.

REVOCABLE GIFTS

Last Will & Testament

Use a Will to direct property to a charity at death. You retain lifetime use and control of the gift property, and the gift qualifies for an estate tax charitable deduction.

Revocable Living Trust

Similar to a Will, a Trust directs the disposition of assets (including gifts to charity) and can be revoked or changed. A Trust minimizes the costs and delays of probate; facilitates the transfer of assets; protects privacy (unlike a Will); and ensures continuity of asset management in the event of death or disability.

Retirement Plan Assets

Name a charity as beneficiary of retirement plan assets. This may have estate planning benefits, as retirement savings are heavily taxed when passed to heirs but are tax free when donated to charities.

OTHER GIFTS

IRA Qualified Charitable Distribution (QCD)

IRA owners age 70½ or older may request a distribution from their IRA directly to a qualified charity. The distribution is tax free (up to $111,000 in 2026) and counts toward your annual required minimum distribution (RMD) if one is due (usually beginning at age 73).

Make a one-time distribution to create a new Charitable Gift Annuity or Charitable Remainder Trust. The tax-free distribution (up to $55,000 in 2026) counts toward your RMD and the gift provides a regular income stream for you and/or your spouse.

Donor-Advised Fund (DAF)

Make an irrevocable contribution now, then recommend (not require) grants to charity later. The full amount of the gift qualifies for an immediate charitable income tax deduction.

Retained Life Estate

Give real estate and retain the right to live in the property for life. The gift may qualify for an income tax charitable deduction based on the present value of the remainder interest that will eventually go to charity.

Charitable Lead Trust (CLT)

Create a Trust that pays an annual income to charity, then distributes remaining trust assets to the donor or named beneficiaries at the end of the Trust term. Depending on the type of CLT, the gift may qualify for a gift tax or estate tax charitable deduction or for an income tax charitable deduction.

Life Insurance

Give a life insurance policy to charity, or designate a charity as beneficiary of the policy, or use a policy as a wealth replacement tool in tandem with a CRAT or CRUT. A donated policy may qualify for an income tax charitable deduction.

Changes That May Impact Your Giving

As you plan your gift, consider the potential impact of the following new limitations on charitable deductions:

- **A cap on charitable deductions for high-income donors.** Those in the 37% tax bracket have their deductions capped at 35%.
- **A new "giving floor."** Itemizers can only deduct the portion of total annual giving that exceeds 0.5% of their adjusted gross income (AGI).

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