SOUTHERN OREGON PBS

Give More. Owe Less.

A Free 2026 Tax-Smart Giving Guide for Members

What you give matters. How you give can make it go even further.

You support causes you believe in. Maybe that is public media, a local food bank, your place of worship, a hospital, or a school. Whatever charity is close to your heart, this guide is for you.

Southern Oregon PBS put this guide together as a free resource for our community. But the strategies here work for any nonprofit you care about, not just us.

- These are four legal, IRS-approved ways to give smarter.
- Any of them can lower your tax bill while supporting the causes you choose.
- None of them require you to be wealthy.
- The right one depends on your own financial situation.

One important note before you dive in.

This guide is for general information only. It is not tax or legal advice. Talk to a qualified tax advisor or financial planner before making any decisions based on what you read here.

Option 1: Give Directly from Your IRA

Best for members age 70 1/2 or older. The IRS calls this a Qualified Charitable Distribution.

If you have a traditional IRA, the government requires you to take money out of it each year after age 70 ½ . That withdrawal counts as income, and you owe taxes on it.

But here is the good news. If you send that money directly to a nonprofit instead of taking it yourself, it never counts as income at all. You never see it, the IRS never taxes it, and the charity receives every dollar.

This strategy is called a Qualified Charitable Distribution, or QCD. For many retirees, it is the single most tax-efficient way to give, and the 2026 tax changes make it even more valuable compared to other options.

2026 Facts at a Glance for Giving from IRA	
Who can use this?	Anyone age 70½ or older with a traditional IRA
How much can I give in 2026?	Up to $111,000 per person. Married couples can each give $111,000 from their own separate IRAs, for a combined total of $222,000.
What is the tax benefit?	That money is excluded from your gross income entirely. No taxes. Period.
Do I need to itemize my taxes?	No. This is one of the biggest advantages. Everyone benefits, whether they itemize or not.
Does it count toward my required withdrawal?	Yes. It satisfies your Required Minimum Distribution for the year.
How does it work?	Your IRA custodian writes the check directly to the charity. The money never passes through your hands first.

Why this can also lower your Medicare premiums

- Your Medicare Part B and Part D costs are tied to your income. When your income goes up, so do your premiums.
- Because a QCD is excluded from income entirely, it can help keep you out of a higher premium bracket.
- That savings on top of the charitable benefit makes this one of the most powerful tools available to older donors.

A few things to watch for:

- The IRA custodian **must** make the check payable directly to the charity. If the check comes to you first, it does not qualify.
- You cannot also claim it as a charitable deduction. The benefit is the income exclusion, which is worth more anyway.
- This works with **IRAs only**. Not 401(k) or 403(b) accounts.
- Get written confirmation from your IRA custodian that it was processed as a QCD. You will need it for your tax records.

Why this is the strongest choice in 2026: New tax rules this year limit the value of itemized charitable deductions. The QCD bypasses all those limits. No floors. No caps. No itemizing needed.

Option 2: Give Stock Instead of Cash

Best for anyone who holds investments that have grown in value over time.

If you sell stock that went up in value, you owe tax on the profit. But if you give that stock directly to a charity, the charity gets the full amount, and you pay zero capital gains tax.

2026 Facts at a Glance for Giving Stock

Who can use this?	Anyone with stocks, mutual funds, or other investments in a regular (non-retirement) brokerage account.
How long must I have held the shares?	Must have owned the shares for more than 12 months
What is the tax deduction?	You deduct the full current value of the shares.
Do I pay capital gains tax?	No. Not a cent. Even on substantial growth.
Is there a limit on the deduction?	Up to 30% of your income for the year. Any excess carries forward for up to five years.
How does it work?	You contact your brokerage and instruct them to transfer the shares directly to the charity's investment account.

A side-by-side example so you can see the real difference

Say you bought stock for $2,000. Today it is worth $8,000. That is $6,000 in growth.

Here is what happens depending on how you give it:

If **you sell first**, then write a check:

- You owe capital gains tax on the $6,000 profit
- Estimated tax owed: about $1,200
- What the charity actually receives: about $6,800
- What you can deduct: $6,800

If you **donate the shares directly**:

- You pay zero in taxes
- What the charity actually receives: the full $8,000
- What you can deduct: the full $8,000

The difference: $1,200 stays in your community instead of going to taxes.
Same investment. Same generosity. One choice just works a lot harder.

A few things to watch for:

- Do not sell the shares first. The transfer them directly to the charity.
- The gift is valued on the day it arrives at the charity, not when you start the process.
- Allow one to two weeks. Don't wait until the last days of December.
- You will need written acknowledgment from the charity and IRS Form 8283 for gifts valued over $500.

2026 note for itemizers: Only the amount of your gifts exceeding 0.5% of your income is deductible. On a $150,000 income, your first $750 does not count. A stock gift large enough to clear that amount easily makes this strategy highly effective.

Option 3: Open a Giving Account (DAF)

For anyone who wants flexibility in when and where their gifts go

A Donor-Advised Fund is essentially a charitable savings account. You contribute money to it now, take a tax deduction right away, and then decide which nonprofits receive the donations on your own timeline.

You open one through a financial institution or your local community foundation. They manage the account and send the donations when you request it. The money can even grow tax-free while it sits there.

2026 Facts at a Glance for DAF	
Who can use this?	Anyone. It is especially useful in a high-income year, or for donors who want to stay flexible about which organizations they support.
When do I get the tax deduction?	In the year you put money in, even if you do not send it to charities until years later
Can the balance grow?	Yes. It is invested while it sits in the fund, so the amount available to grant can increase over time, tax-free.
Am I required to give it away quickly?	No. There is no annual distribution requirement. Give on your own schedule.
What can I contribute?	Cash, stock, mutual funds, and sometimes other assets, depending on the provider.
What does it cost to open one?	It varies by provider. Options include **local community foundations**, which offer more personalized guidance and deep roots in the region or large national financial institutions. A quick conversation with your financial advisor or a local community foundation can help you find the right fit.

Why 2026 is a particularly good year to think about a DAF

The new 2026 federal tax law makes itemized charitable deductions less valuable for many donors.

Specifically, a 0.5% AGI floor will apply before gifts are deductible, and high earners will face a cap on deduction value.

Contributing to a DAF before December 31, 2026, lets you lock in the current, more favorable rules while still taking your time deciding where to direct the grants. Your tax advisor can tell you whether this timing strategy makes sense given your income and giving goals.

The bunching strategy, for people who do not itemize

The 2026 standard deduction is $16,100 for single filers and $32,200 for married couples. Many people do not have enough deductions to beat those amounts.

Here is the workaround:

- Combine two or three years of planned giving into one large DAF contribution
- That pushes you over the standard deduction threshold
- You itemize that year and get the full deduction
- Then you send grants out to your favorite organizations over the next few years
- You get both the tax benefit and the flexibility

A few things to watch for:

- DAF grants cannot be used to fulfill a personal pledge you made at a fundraising event.
- DAF grants cannot go to another DAF. They must go to an operating public charity.
- That new $1,000 or $2,000 deduction is for direct cash gifts only. A DAF contribution does not qualify.

Option 4: Cash Gifts. What You Need to Know.

The most familiar way to give, and still a wonderful way to show up for your community.

In 2026, the tax picture for cash giving **improved for people who do not itemize**. A new deduction now permits non-itemizers deduct up to $1,000 (single) or $2,000 (married) for direct cash gifts to qualifying public charities. This benefit applies to cash only, meaning checks, credit cards, and online donations. It does not apply to stock gifts or contributions to a donor-advised fund.

IRS Standard deduction in amounts in 2026
Single filers: $16,100 / **Married** filing jointly: $32,200 / **Age 65** or older: add $1,600 (or $2,000 if single & over 65)

Those who do NOT itemize	Those who do itemize.
• Brand new in 2026: you can now deduct up to $1,000 (single) or $2,000 (married) for cash gifts to qualifying public charities. • This works even if you take the standard deduction. • This deduction did not exist before this year.	• Cash gifts to public charities are deductible up to 60% of your income. • But only the amount above 0.5% of your income counts toward the deduction. • Example: if your income is $100,000, your first $500 in gifts does not count. • High earners in the 37% tax bracket: your deduction benefit is capped at 35 cents on the dollar.

What are the year-end deadlines?	• Credit card charges must be processed by Dec. 31. • Checks must be postmarked by Dec. 31.
What records do I need?	• For gifts under $250, a bank or card record is enough. • For gifts of $250 or more, you need a written acknowledgment from the charity.

If you are over 70 ½ , and have an IRA, a QCD usually beats a cash gift

- A check may not reduce your taxes at all if you do not itemize.
- A QCD from your IRA reduces your taxable income automatically, with no itemizing required.
- For many members in this situation, the QCD is simply the smarter move.
- It is worth a quick conversation with your financial advisor.

Side-by-Side: Which Option Fits You?

Use this as a starting point for a conversation with your tax advisor or financial planner.

	IRA Gift (QCD)	Stock Gift		Cash
Must be 70½ or older?	☑ Yes	✕ No	✕ No	✕ No
Skips capital gains tax?	— N/A	☑ Yes	☑ Yes On investments	✕ No
Counts toward IRA withdrawal?	☑ Yes	✕ No	✕ No	✕ No
Need to itemize to benefit?	✕ No	✕ No	✕ No	☑ Usually
Can give over multiple years?	Each year	Each gift	☑ Yes	☑ Yes
Can lower Medicare premiums?	☑ Yes	— Maybe	— Maybe	✕ No
Affected by new 2026 deduction floor?	✕ No	Partially	Partially	Partially

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A Note for Oregon State Taxpayers

Oregon's standard deduction is much lower than federal

- Federal standard deduction: $16,100 single / $32,200 married
- Oregon standard deduction: approximately $2,835 single / $5,670 married
- This means many Oregonians who take the federal standard deduction can still itemize on their Oregon return and deduct charitable gifts at the state level
- It is worth running both options on your Oregon return every year

The new federal $1,000 or $2,000 non-itemizer deduction

- This is a federal benefit only
- Whether Oregon will recognize it on your state return is not yet confirmed
- Ask your tax advisor how this applies to your Oregon return specifically

The Oregon Cultural Trust tax credit (this one is special)

- Give to any qualifying cultural nonprofit, including Southern Oregon PBS
- Then make a matching gift directly to the Oregon Cultural Trust
- Oregon gives that matching amount back as a dollar-for-dollar state tax credit
- Up to $500 for single filers, up to $1,000 for married couples
- A credit is better than a deduction. It reduces what you owe, not just what you claim.
- Note: DAF contributions do not qualify. The matching gift must go directly to the Oregon Cultural Trust.

Bottom line: Oregon's lower standard deduction means charitable giving is more likely to produce a state tax benefit than a federal one for many donors here. A local tax advisor can help you get this right.

A FINAL NOTE

- Tax laws change, and everyone's situation is different
- Nothing in this guide is tax, legal, or financial advice
- All figures reflect 2026 federal tax law
- State tax rules vary
- Always verify current limits with your advisor before year-end
- Southern Oregon PBS is a 501(c)(3) nonprofit. Our EIN: 93-0669529. Gifts are tax-deductible to the extent allowed by law.
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Curious about any of these options? We are happy to talk it through.

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