Waiting until 2026 to start bunching may cost you savings

Scenario: Donor has income of $750K, is in the 35% income federal tax bracket, files jointly as a married couple, and itemizes deductions.

	2026	2027	2028		2026
Other deductions	$25K	$25K	$25K		$25K
Charitable donation	$20K	$20K	$20K		$60K
Less 0.5% floor	($3.75K)	($3.75K)	($3.75k)		($3.75K)
Amount over standard deduction of $31,500	$9,750	$9,750	$9,750	vs.	$49,750
Potential tax savings	$3,412	$3,412	$3,412		
	$10,237 TOTAL				$17,412

SAVINGS REDUCED BY $1,312

This is a hypothetical example for illustrative purposes only. This example does not take into account other deductions.. Information herein is not legal or tax advice. As with any tax-planning strategy, there may be additional considerations that pertain to your client's personal situation. Other strategies may provide more flexibility and similar savings. Please consult your tax advisor.

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