

Tax Law Changes for 2026: What They Mean for Your Giving

New tax rules this year may influence how you choose to give to MSU Denver and other nonprofits. Here's what you need to know:

Q: What's the biggest change this year?

A: You can deduct up to \$1,000 (single filers) or \$2,000 (married couples) in cash charitable donations *even if you don't itemize*. So even smaller donations can benefit you while making an impact at MSU Denver. Note: Gifts to donor advised funds are excluded.

Q: So I can claim this on top of the standard deduction?

A: Yes! For 2026, that deduction is \$16,100 for single filers and \$32,200 for married couples filing jointly. If you are 65 or older, you may claim a standard deduction that's even higher: \$2,050 more if you are a single filer and head of a household, \$1,650 more per qualifying individual if you are married filing jointly or separately, or a qualifying widow(er).

Q: That sounds pretty good. Any other benefits if I'm 65 or older?

A: Through the 2028 tax year, you can claim yet another deduction—up to \$6,000 for an individual or \$12,000 if married and both spouses qualify. Note that this deduction phases out for taxpayers with higher incomes, so discuss this with your tax professional or accountant.

Q: Based on all these benefits, how should I give this year?

A: Even if you don't itemize, you may still benefit if you give appreciated stock or real estate, which eliminates capital gains tax on the growth. If you are 70½ or older, you can make a gift directly from your IRA to MSU Denver. You pay no tax on the distribution, and if you are required to take minimum distributions, it can satisfy all or part of that obligation.

Q: What if I do choose to itemize?

A: Keep these portions of the new tax law in mind:

1. Deduction limit for cash gifts

You can still deduct cash gifts of up to 60% of your adjusted gross income (AGI). Consider combining your cash and non-cash assets, often called blended giving, to maximize your tax benefits and impact.

2. New floor for itemizers

You will need to give at least 0.5% of your AGI to claim a charitable deduction.

3. New limit for top earners

Top earners (those in the 37% tax bracket) now get only a 35-cent tax benefit for every \$1 deducted.

How Would You Like to Make a Difference?

If you're interested in making an impact this year, we're ready to assist you. Contact Louanne Saraga-Walters at 303.615.1135 or lsaragaw@musdenver.edu today to discuss your options.

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