



PROFESSIONAL ADVISOR NEWSLETTER

MONTHLY NEWSLETTER

AUGUST 2025 TRENDING TOPIC 1

**YOUR PARTNER IN STRATEGIC PHILANTHROPY PROFESSIONAL
ADVISORY SERVICES.** Empowering Financial Growth and Community Impact



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GREETINGS FROM SRCCF!

WE'RE HERE FOR YOU - AUGUST 2025 TRENDING TOPICS 1

Hello from the Starved Rock Country Community Foundation!

We appreciate the opportunity to work with so many attorneys, CPAs, and financial advisors as you counsel your clients about the most effective ways to make a difference in the community. We know that your clients are committed to their charitable giving plans that continue to improve the quality of life for everyone in our region.

Here are the first two Trending Topics for August 2025:

–Timing is everything, as it is often said, and that may well be true for your clients' charitable giving plans. 2025 is an important year to be absolutely sure you've reviewed clients' charitable goals and evaluated those objectives against the changes in the tax laws affecting the charitable deduction.

The One Big Beautiful Bill Act creates both challenges and opportunities, and you'll want to know how the new laws impact each of your philanthropic clients.

–August is National Make-A-Will month, which means it's the perfect time—before the fall gets busy—to encourage your clients to review their estate plans. As you meet with your clients to update wills, trusts, and beneficiary designations, remember that the team at the SRCCF is here to help ensure that your client's philanthropic intentions are well-documented and structured in the most effective way possible, both from a tax perspective and through the lens of community impact.

We appreciate the opportunity to work together to serve your charitable clients.

01

TIMING IS EVERYTHING: MAPPING OUT 2025 CHARITABLE GIVING PLANS

It's never been easy to navigate the ever-shifting tax rules to help clients structure charitable gifts, and now it's even trickier. Major changes under the One Big Beautiful Bill Act (OBBBA), signed into law on July 4, 2025, are creating complexity, opportunity, and, for some, urgency.



The OBBBA reshapes both how much a client can deduct for charitable contributions and which clients can benefit from these deductions in the first place. As always, we are honored to be your first call when the topic of charitable giving arises in client conversations. In most cases, our tools can be useful, and if we can't help directly, we'll point you in the right direction.

Here are three key issues to discuss with philanthropic clients:

EVALUATE WHETHER THE CLIENT COULD BENEFIT FROM "BUNCHING" CHARITABLE CONTRIBUTIONS IN 2025

Many advisors are recommending that their clients address head on the One Big Beautiful Bill Act's expansion of the standard deduction—\$15,750 for single filers and \$31,500 for married couples in 2025, with even higher levels for taxpayers aged 65 and older. A technique known as "bunching" charitable donations can be particularly useful. For example, if a client typically donates \$12,000 each year to charity, but the client's other deductions do not push them over the standard deduction, the client could give \$36,000 (three years' worth of gifts) to a donor-advised fund at the SRCCF in 2025. The idea is that the client can combine this gift with other deductions to substantially exceed the standard deduction, allowing the client to itemize and claim a much greater deduction for that year. Over the following two years, the client can take the standard deduction and lean on the donor-advised fund to distribute funds to favorite charities.

LOOK AHEAD TO 2026 AS YOU HELP CLIENTS PLAN FOR 2025

For your clients who continue to itemize deductions, 2026 will bring even further changes. Only charitable donations exceeding 0.5% of AGI will be deductible. For example, a couple with

\$225,000 in AGI would see their deductible charitable amount reduced by \$1,125 per year. Although clients who are large-scale donors may find this change proportionately less impactful, clients making moderate or smaller-sized gifts might see a significant reduction in their eligible deductions. What's more, under the OBBBA, high-income taxpayers will see their maximum tax benefit from charitable deductions calculated at a top marginal rate of 35%, down from 37%, starting in 2026. These changes may prompt higher-income clients to lean heavily on bunching strategies in 2025 to maximize current tax advantages before stricter limits kick in.

WATCH THE FINE PRINT ON THE CHARITABLE DEDUCTION FOR NON-ITEMIZERS

Under the OBBBA, starting in 2026, taxpayers who take the standard deduction will be able to claim a direct deduction for charitable giving—up to \$1,000 for single filers and \$2,000 for married couples filing jointly. This provision mirrors temporary measures seen during the COVID-19 pandemic. Crucially, the deduction is limited to cash gifts made directly to qualified charities; donations of property or stock, and contributions to donor-advised funds, do not qualify. For the estimated 100 million Americans who do not itemize, which likely includes many of your clients, this provision is certainly good news. That said, gifts of appreciated stock and donor-advised funds are tax-effective and convenient charitable giving vehicles, and many clients may be disappointed that they can't deploy these techniques to take advantage of this new deduction.

2025 certainly is shaping up to be an important year for helping your clients plan their charitable gifts. Please reach out to our team to explore ways to leverage the community foundation's tools, including establishing your client's donor-advised fund to take advantage of bunching. And of course, always remember that regardless of the tax implications, your clients' philanthropy addresses vital community needs—and this is a motivator that transcends any deduction.

02 AUGUST IS NATIONAL MAKE-A-WILL MONTH

A perfect time for your clients to take additional control of their future—and leave a legacy that matters.

Did you know that only 32% of Americans have a will?



That means many families are unprepared when the unexpected happens. Working with your client to encourage them to create or update a will isn't just about paperwork—it's about peace of mind, protecting loved ones, and ensuring wishes are honored.

A WILL PROVIDES FOR:

- Naming guardians for children
- Providing for pets
- Making decisions about finances and property
- Leaving a charitable gift that supports the causes closest to your client's heart

At the Starved Rock Country Community Foundation, we help people create a legacy that lasts forever. Whether it's supporting education, the arts, the environment, children, or another cause they love—you can help them make a difference for generations to come.

One of the easiest ways is through a bequest in a will or trust for the SRCCF. Our FEIN # is 47-4762762. Your clients can also name SRCCF as a beneficiary of their retirement account, life insurance policy, or other assets. Just give us a call - we're here to help!

Let August be the month you help your clients take the first step toward peace of mind and purpose.

STARVED ROCK COUNTRY COMMUNITY FOUNDATION

*Connecting People Who Care
With Causes That Matter*

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The team at the community foundation is honored to serve as a resource and sounding board as you build your charitable plans and pursue your philanthropic objectives for making a difference in the community. This newsletter is provided for informational purposes only. It is not intended as legal, accounting, or financial planning advice. Please consult your tax or legal advisor to learn how this information might apply to your own situation.

**THANK YOU FOR THE OPPORTUNITY
TO WORK TOGETHER!**

