



Calvary Chapel Aiken Family,

We know from His Word that our God is all-sufficient, not needing anything or anyone to help Him accomplish His will. Isn't it so amazing that He invites us to come along with Him in service to His Kingdom!? When we worship Him by giving our time and resources, He uses those to impact others for eternity – what a rich blessing!

God has blessed us as a church family to move into our current location back in 2022, to start various outreach ministries like Liberty Fireworks and Awaken Coffee, to host community events that have impacted thousands in the greater Aiken area with Christmas in July and last year's Harvest Fest, to support both local and global missionaries in their efforts for the gospel, and much, much more! We are also expectantly looking forward to what the Lord will do as we prayerfully prepare for building out our church campus in the near future, allowing us to do even more in our efforts to make disciples!

All of this being said, there has been a significant refresh for the tax rules around charitable giving for 2026 that we want to make known to all of you who partner with us by giving your treasures to the Lord in worship. Understanding these changes helps us to be good stewards of what God has given us as they open up new opportunities to give more strategically.

Here's what you need to know:

WHAT EVERY DONOR SHOULD KNOW: CHARITABLE GIVING TAX RULES FOR 2026

A BRAND-NEW BREAK FOR EVERYDAY GIVERS

For the first time in several years, taxpayers who take the standard deduction -- that's roughly 87% of all Americans -- can now claim a tax deduction for their charitable giving. Starting with the 2026 tax year, you can deduct up to \$1,000 in cash donations if you file as a single individual, or up to \$2,000 if you file jointly as a married couple.

This is a meaningful change. Under the old rules, if you took the standard deduction, your generosity gave you zero tax benefit. Now it does.

To qualify, your gift must be:

- A cash donation (check, credit card, online payment, or payroll deduction)
- Made directly to a qualifying 501(c)(3) public charity like ours
- Not made to a donor-advised fund or private foundation

One thing to keep in mind: if you donate \$250 or more, be sure to request a written acknowledgment from the organization you give to. You'll need it when you file your taxes.

FOR DONORS WHO ITEMIZE – A FEW THINGS HAVE CHANGED

If you typically itemize your deductions on Schedule A, two new rules took effect in 2026.

First, there is now a small "floor" before your charitable deductions kick in. Only the portion of your donations that exceeds 0.5% of your adjusted gross income (AGI) will be deductible. In practical terms, if your AGI is \$100,000, the first \$500 of giving won't count toward your deduction. For most generous donors, this is a modest hurdle, but it's worth knowing about.

Second, if you are in the highest federal tax bracket (37%), the tax benefit from itemized charitable deductions is now capped at 35 cents per dollar donated, rather than 37 cents. This only affects the top 1% of earners, but those donors may want to factor this into their giving plans.

One positive change for itemizers: the 60% of AGI limit for cash gifts to public charities is now permanent. That means high-capacity donors can give generously in a single year without worrying about that rule reverting to the older, lower cap.

WHAT IS A QCD – AND COULD IT BENEFIT YOU?

If you are age 70 1/2 or older and you have a traditional IRA, there is a giving strategy worth knowing about called a Qualified Charitable Distribution, or QCD. It may be one of the most tax-smart ways to support a cause you love.

Here's how it works: Instead of withdrawing money from your IRA and then writing a check to charity, a QCD allows your IRA custodian (Fidelity, Vanguard, Schwab, etc.) to transfer funds directly to a qualifying nonprofit on your behalf. The money goes straight from your retirement account to the charity -- it never touches your hands.

Why does this matter? Because that distribution is excluded entirely from your taxable income. You don't report it as income, and you don't need to itemize to benefit. The IRS's new 0.5% AGI floor and the deduction cap for high earners simply do not apply.

For 2026, you can make QCDs of up to \$111,000 per individual (or \$222,000 for a married couple if both spouses have IRAs). And if you are age 73 or older and subject to Required Minimum Distributions (RMDs) from your IRA, your QCD counts toward satisfying that annual requirement -- without the distribution adding to your taxable income.

Think of it this way: most people who take RMDs don't necessarily need the money, but they are required to take it anyway -- and then pay income taxes on it. A QCD lets you redirect some or all of that required distribution to a charity you care about, and you owe no tax on it at all.

Here's a quick example: Suppose your required minimum distribution for 2026 is \$12,000. If you make a \$12,000 QCD directly to our organization, that entire \$12,000 is excluded from your taxable income. You satisfy your RMD, support a cause close to your heart, and potentially stay in a lower tax bracket -- all at once.

A few important rules to keep in mind for QCDs:

- You must be age 70 1/2 or older on the date the distribution is made
- The funds must go directly from your IRA custodian to the charity (if the check is made payable to you, it does not qualify)
- QCDs can be made from traditional IRAs, rollover IRAs, and some inherited IRAs -- but not from a 401(k)
- The charity must be a qualifying 501(c)(3) public charity; donor-advised funds and private foundations do not qualify
- The deadline is December 31 of the tax year, so plan ahead and allow time for processing

As always, please consult with your tax advisor or financial planner before making giving decisions, as everyone's situation is unique.

THE BOTTOM LINE

The 2026 tax landscape actually holds good news for many donors. Everyday givers who take the standard deduction now have a tax incentive to give that they haven't had in years. Retirees with IRAs have a powerful and often underused tool in the QCD. And the permanent 60% AGI cap gives high-capacity donors more flexibility in big giving years.

We are so grateful for all of you who partner with us as we all partner with God in what He is doing in Aiken and beyond! If you have questions about how a gift to our organization might fit into your 2026 tax picture, please don't hesitate to reach out to us -- or speak with a trusted financial or tax professional.

May God bless and keep you.

Note: This post is intended for general informational purposes only and does not constitute tax or legal advice. Tax rules can vary based on individual circumstances. Please consult a qualified tax professional for guidance specific to your situation.