



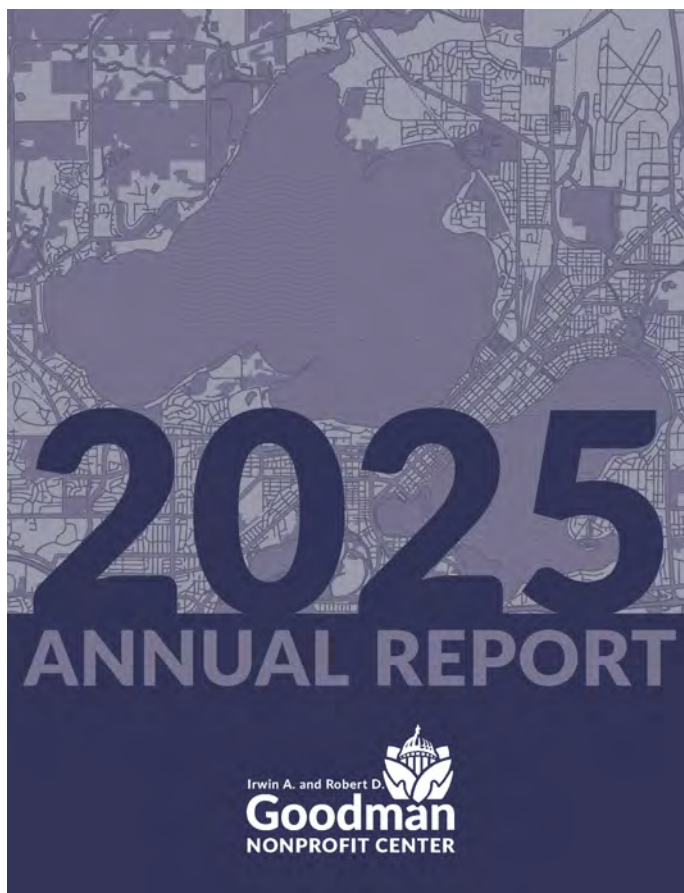
Madison

COMMUNITY FOUNDATION

June 16, 2026

madisongives.org

The Goodman Nonprofit Center Publishes First Annual Report



One year ago, the Goodman Nonprofit Center set out to strengthen and support the nonprofit community in Greater Madison. Today, we share the first Annual Report, highlighting the milestones, partnerships and impact that made its inaugural year a success.

Inside the report, you'll find stories from the first cohort of Goodman Nonprofit Fellows, highlights from community engagement efforts and a look at the growing support helping build a lasting resource for nonprofits across our region. Read the full report on at gnpc.org.

Don't Miss Out on Nonprofit
Center News & Updates

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Your Life & Legacy: How your values can continue shaping our community for generations

by **Camille Zaroni, Director of Donor and Legacy Engagement**

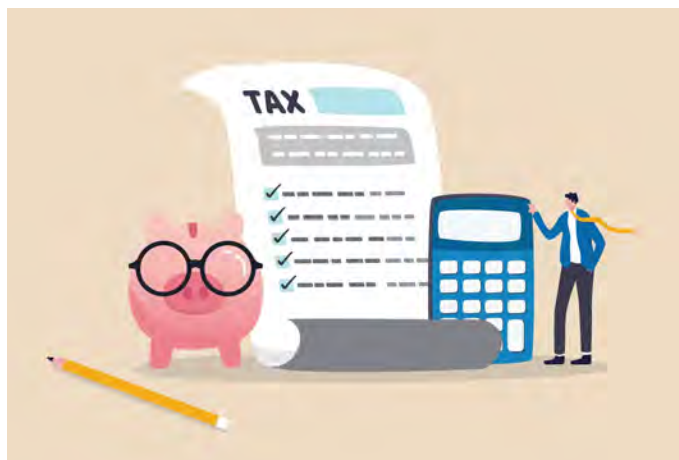
For many people, charitable legacy planning is about far more than what they leave behind; it's about what they choose to carry forward. Their legacy reflects the people, opportunities and causes they hope will continue to thrive long into the future.

Intentional planning can help you achieve meaningful goals

Thoughtful planning can help you care for loved ones, support the organizations and causes that matter most to you, and create a lasting expression of your generosity and vision for the future. And more families today are recognizing the importance of intentional legacy planning.

In 2024, Americans contributed more than \$45 billion to charitable organizations through bequests, and charitable estate giving is expected to grow significantly in the coming decades as baby boomers transfer an estimated \$70 trillion in assets.

At Madison Community Foundation, we help people engage in the intentional planning that transforms their charitable intentions into enduring community impact.



Bunching Revisited: Does bunching gifts still make sense post-OBBB?

The One Big Beautiful Bill Act (OBBB) changed many of the tax planning conversations advisors had been having with their clients about charitable giving. Specifically, starting in 2026, OBBB made the following changes related to individual giving:

- It provides taxpayers who don't itemize the opportunity to deduct cash donations to certain charities, up to a total of \$1,000 for single filers and \$2,000 for joint filers. (NOTE: This deduction is not available for cash contributions to a donor advised fund.)
- It establishes a floor on charitable deductions for people who itemize, limiting their deductions to the amount of their charitable contributions that exceeds 0.5% of their adjusted gross income.
- It limits the tax benefit of deductions for taxpayers in the top marginal tax bracket of 37% to 35%.

Prior to these changes, bunching charitable contributions into specific years was a tax-smart strategy for many taxpayers. But how does that advice hold up today?

What is bunching?

"Bunching" involves a donor strategically timing their contributions by consolidating them into specific years, with the goal of receiving an itemized deduction that is greater than the standard deduction. In non-bunching years, they may forego making charitable donations or make minimal contributions, opting to use the standard deduction instead.



Life and Legacy,
continued from page 2

Expanding our legacy giving opportunities

As interest in legacy giving continues to grow, MCF is responding by adding my new role, which is focused on donor and legacy engagement. In this role, I work closely with individuals, families and their advisors to explore charitable giving plans that reflect their personal values, family priorities and hopes for the future. I also partner with nonprofits to help strengthen their organization's legacy giving opportunities for donors.

Whether your goals are simple or complex, MCF can help you explore giving strategies to meet them. Working with us allows you to:

- Tap into our deep knowledge of the Madison community and emerging local needs.
- Benefit from trusted long-term stewardship of your charitable funds.
- Receive professional investment management.
- Adapt your charitable plans as community needs evolve.
- Involve future generations in your family's philanthropy.

Creating a legacy that reflects you

Your legacy serves as a reflection of what mattered most to you during your lifetime and is an investment in the future you hope to create. MCF can help you create a lasting charitable legacy in many ways. You can choose to:

- Establish a new endowed fund in your family's name or in honor of someone important to you.
- Strengthen an existing endowed fund with your contributions.
- Support MCF's Community Impact, Field of Interest or Priority Funds.
- Create a charitable gift annuity that provides you with lifetime income and supports your chosen organization in the future.
- Directly support the nonprofits you care about through outright gifts.

No matter which approach you choose, MCF can help make the process thoughtful, personal and meaningful. We are available to meet confidentially to discuss your goals, explore tools for giving, provide sample estate-planning language, and collaborate with your professional advisors as desired.

To learn more about legacy giving opportunities through Madison Community Foundation, please contact me at 608-232-1763 or czanoni@madisongives.org.

Have an idea for a story?
Have exciting news you'd like to share?
Join the conversation!





Bunching Revisited continued from Page 2

How does bunching work under the current tax laws?

Consider this example: John and Jane Taxpayer are a 35-year-old married couple who file jointly. Their adjusted gross income is \$100,000. They have historically given \$8,000 per year to charity and would like to continue doing so. They have asked you what impact, if any, bunching their gifts every two years will have on their ability to receive a tax benefit for these gifts.

First, let's assume that the \$8,000 John and Jane give each year is cash. If John and Jane itemize their deductions, they will only be allowed to deduct \$7,500 of their contributions (or \$15,500 in the year they bunch their gifts) because of the new rule limiting their deductions to the amount that exceeds 0.5% of their adjusted gross income. They will also forego the additional charitable deduction for non-itemizers.

As you can see in Table 1, in this scenario, bunching gifts actually lowers John and Jane's deduction over the two years by \$1,700. While their deduction in 2026 when itemizing is \$300 higher than the standard deduction, they are losing the \$2,000 additional deduction they could have taken had they not itemized.

Table 1				
	Contributing Annually		Bunching Gifts	
Itemizable Deductions	2026	2027	2026	2027
Taxes	\$10,000	\$10,000	\$10,000	\$10,000
Mortgage Interest	\$7,000	\$7,000	\$7,000	\$7,000
Charitable Contributions**	\$7,500	\$7,500	\$15,500	--
Total Itemized Deductions	\$24,500	\$24,500	\$32,500	\$17,000
Standard Deduction	\$32,200	\$32,200*	\$32,200	\$32,200*
Additional Deduction for Cash Gifts by Non-Itemizers	\$2,000	\$2,000	--	\$2,000
Total Non-Itemized Charitable Deductions	\$34,200	\$34,200	\$32,500	\$34,200
DEDUCTION TAKEN	\$34,200	\$34,200	\$32,500	\$34,200
TOTAL DEDUCTION AVAILABLE OVER TWO YEARS	\$68,400		\$66,700	

*Assumes the 2026 standard deduction does not change in 2027, and no further changes are made affecting the availability of itemized deductions.

**Equals the amount by which charitable deductions exceed 0.5% of John and Jane's adjusted gross income (\$500).

Thank You for Joining Us at Madison Gives



Thank you to everyone who was able to join us in-person or virtually for Madison Gives 2026. It is always a joy to see so many familiar and new faces gathered to celebrate philanthropy and its impact in our community.

You can view a recording of our event livestream, inspiring stories of generosity and impact, and event photos at madisongives.org/celebrate26.

Announced at the event, in honor of MCF President Bob Sorge's retirement at the end of 2026, a generous donor issued a \$500,000 challenge grant for gifts to either the Bob Sorge or the general Goodman Nonprofit Center endowment funds.

All funds raised will help complete MCF's \$12.5 million campaign to build a permanent endowment for the Goodman Nonprofit Center.

Help Meet the Challenge

**Curious About What
Assets MCF Accepts?**

**EXPLORE
WAYS TO GIVE**



Bunching Revisited continued from Page 2

Now, if instead John and Jane give \$8,000 in highly appreciated publicly traded stock each year, the scenario shifts. As mentioned before, if John and Jane itemize, they will only be allowed to deduct \$7,500 of their contributions if they don't bunch their gifts (they would be able to deduct \$15,500 of their contributions if they opted to bunch their gifts). However, since they made a gift of stock, not cash, they no longer qualify for the \$2,000 annual deduction for non-itemizers. In this case, bunching provides them with an additional tax deduction of \$300.

Table 2

	Contributing Annually		Bunching Gifts	
Itemizable Deductions	2026	2027	2026	2027
Taxes	\$10,000	\$10,000	\$10,000	\$10,000
Mortgage Interest	\$7,000	\$7,000	\$7,000	\$7,000
Charitable Contributions**	\$7,500	\$7,500	\$15,500	--
Total Itemized Deductions	\$24,500	\$24,500	\$32,500	\$17,000
Standard Deduction	\$32,200	\$32,200*	\$32,200	\$32,200*
Additional Deduction for Cash Gifts by Non-Itemizers	--	--	--	--
Total Non-Itemized Charitable Deductions	\$32,200	\$32,200	\$32,200	\$32,200
DEDUCTION TAKEN	\$32,200	\$32,200	\$32,500	\$32,200
TOTAL DEDUCTION AVAILABLE OVER TWO YEARS	\$64,400		\$64,700	

*Assumes the 2026 standard deduction does not change in 2027, and no further changes are made affecting the availability of itemized deductions.

**Equals the amount by which charitable deductions exceed 0.5% of John and Jane's adjusted gross income (\$500).

As you can see from the analyses above, the additional deduction for cash gifts by non-itemizers may make taking the standard deduction more valuable to a client in certain instances. However, for those making non-cash charitable gifts, or for those who are making significantly larger charitable gifts than John and Jane, bunching could still provide a larger tax benefit.

How does bunching affect the recipients of charitable gifts?

While bunching may offer tax benefits for a donor, the large change in gift amounts from year to year may create budgeting and revenue projection difficulties for the nonprofit beneficiaries. One way donors can mitigate this is by using a donor advised fund. Donors can contribute their gifts to the fund (either just in bunching years, or consistently each year) and then make consistent annual gifts to the recipients from the fund. These funds can be set up as a donor advised endowment fund or designated endowment fund.

This material has been provided for informational purposes only, and is not intended to provide, and should not be relied on for tax, legal or accounting advice. The information included was accurate when we published the blog. Check with your tax advisor before making any gifts to ensure you are aware of any changes that may have occurred after this blog was published.

Upcoming Dates to Remember

JUL

24

Nonprofit Leaders Retreat

Join Goodman Nonprofit Center Staff at Holy Wisdom Monastery for a day of learning, connection and rejuvenation. **Register Today.**

AUG

04

SAVE THE DATE: Young Nonprofit Professionals Networking Event

The Nonprofit Center is hosting a young nonprofit professionals networking event at Aubergine. More details to come.

AUG

26

SAVE THE DATE: Legacy Society Luncheon

MCF will host its annual luncheon celebration of our Legacy Society at Overture Center. Invitations will be mailed soon.

SEP

24

SAVE THE DATE: Annual Advisor Seminar

Join us at Monona Terrace for another informative advisor seminar event. More details to come.