

# Pathways and Possibilities

A GIFT PLANNING PUBLICATION OF CASE WESTERN RESERVE UNIVERSITY

## A Legacy That Endures

Rules shift and laws change, but the values behind your giving—care, compassion and community—endure. As we celebrate 200 years of Case Western Reserve University, we are deeply aware that the university’s strength has always rested on those who plan not only for today, but for the generations that follow. We would be honored to help you and your advisors explore meaningful ways to extend that legacy. Please reach out or use the attached reply card to request more information or a complimentary copy of our booklet, *Gifts of Stock*. Together, we can transform thoughtful planning into lasting impact.



In celebration of CWRU’s 200th birthday, we invite our readers to look back on the university’s history. Learn about the namesakes of the buildings where students live and learn, the moments that have shaped our institution and research breakthroughs on campus that advanced society. Make sure to visit [case.edu/bicentennial](http://case.edu/bicentennial) to learn more about milestones in our university’s history. Images and documents can also be downloaded through *Digital Case*.

For more information about tax-wise gifts, future gifts or our Luminary Society, please visit [plannedgiving.case.edu](http://plannedgiving.case.edu).



For more information about planned giving, contact:

[plannedgiving.case.edu](http://plannedgiving.case.edu)



Amanda Pinney, JD  
Assistant Vice President



Carol Stephan, JD  
Executive Director



Kristan Rothman, MA  
Associate Director

Office of Strategic Giving  
Case Western Reserve University  
10900 Euclid Avenue, Cleveland, OH 44106-7090  
216.368.4460  
[strategicgiving@case.edu](mailto:strategicgiving@case.edu)

[plannedgiving.case.edu](http://plannedgiving.case.edu)

For reference:

**Legal Name**

All charitable gifts should be directed to Case Western Reserve University, 10900 Euclid Avenue, Cleveland, Ohio 44106-7090, an Ohio 501(c)(3) tax-exempt, charitable organization, or its successor, Federal Tax Identification Number: 34-1018992.

**Tax I.D. Number**

Case Western Reserve University’s Tax ID number is 34-1018992.

## New Rules, New Opportunities

### Smart Giving Strategies for 2026 and Beyond

As Case Western Reserve University celebrates its bicentennial, and fresh on the heels of *TIME* recognizing CWRU as 27th globally in the World’s Top Universities of 2026 rankings, we are reminded of two centuries of discovery, innovation and partnerships. This recognition ranks Case Western Reserve among a select group of institutions worldwide identified for long-term impact on students, and we could not be more grateful. For 200 years, our students have taken what they learned in the classroom and applied it to real-world challenges—exploring, creating and pushing boundaries. Every gift you make helps continue this exceptional legacy. Thank you!

If one of your goals this year is to make a continued difference for CWRU and our students, you may be wondering how the changes introduced by the One Big Beautiful Bill Act (OBBBA) will impact the way you plan, save and give. In our last issue of *Pathways and Possibilities*, we shared that tax-law changes affecting charitable planning were on the horizon. Now that these changes are here, in this issue, we will walk you through the most important updates affecting charitable giving

and share simple strategies to help you make the most of your giving under the new rules. Whether your focus is saving on taxes, making a greater difference at CWRU or building a legacy that lasts, there has never been a better time to plan with purpose.

We invite you to learn more—and to request our new complimentary booklet, *Gifts of Stock*, which explains how tax advantages relating to gifts of stock are especially helpful under the new rules.

We are grateful for your continued generosity and partnership. Together, we can turn thoughtful planning into lasting impact.

Sincerely,

Amanda Pinney, Carol Stephan and Kristan Rothman  
Office of Strategic Giving  
Case Western Reserve University



Thank you for being an important part of the Case Western Reserve community!

## Adapting to Change, Maximizing Impact

The OBBBA introduced changes that may affect how and when you give and the financial benefit of your generosity. Understanding the rules helps you plan to maximize both your impact and your tax savings. Here are the key updates for donors:

- 1. Higher standard deduction.** In 2026, the standard deduction is \$16,100 for single filers (\$18,150 for those over 65) and \$32,200 for married couples filing jointly (\$35,500 if both spouses are over 65). While many will continue using the standard deduction, several changes, including a higher SALT deduction cap, may prompt some to itemize instead.
- 2. New “giving floor” for itemizers.** You can only deduct charitable contributions once they exceed 0.5% of your adjusted gross income (AGI). For example, if your AGI is \$300,000, only cumulative giving over \$1,500 is eligible for a deduction.
- 3. New cap on deductions for high earners.** If you are in the top 37% tax bracket, the tax benefit for your charitable deductions is limited to the 35% tax bracket.
- 4. New deduction for nonitemizers.** Even if you do not itemize, you can now deduct up to \$1,000 (\$2,000 for joint filers) for cash gifts to qualified charities like CWRU. This new opportunity can make even modest gifts more rewarding, so keep track of your cash donations.
- 5. Continued deduction for seniors.** Through 2028, if you are age 65 or older, you can take an additional \$6,000 deduction (single filer) or \$12,000 (total for a joint return if both spouses qualify), subject to phase out at higher income levels—extra cash that may help you meet your charitable goals.
- 6. Continued higher deduction limit for cash gifts.** The 60%-of-AGI limit is now permanent.

**Planning tip:** Start by determining whether you are likely to itemize under the new thresholds—this will shape every other giving strategy.



*\*All examples are for illustrative purposes only.*

## Smart Strategies for This Year and Beyond

Once you know the rules, you can plan to make the most of them. Here are some tax-savvy approaches to consider in light of the new OBBBA provisions.

### Give Now, Deduct Now

Cash gifts remain one of the simplest and fastest ways to make a difference, and there are even stronger incentives under the new rules.

**How the New Nonitemizer Deduction Works:** Alumna Linda Spartan, age 60, typically supports CWRU with a \$10,000 gift each year and takes the standard deduction (\$16,100 in 2026). This is a significant gift, but that alone is still not enough to make itemizing worthwhile. Still, Linda would qualify for the \$1,000 deduction available to nonitemizers.

But what about this scenario:

**How the New Giving Floor and Deduction Cap Affect Itemizers:** After receiving a large bonus, Linda decides to increase her annual gift to \$40,000 this year to make itemizing worthwhile and provide additional support for creative, engaging learning and research. Linda’s AGI is \$500,000, and she is in the 37% tax bracket. Because of the new giving floor, she can only deduct any gifts above 0.5% of her AGI—in her case, above \$2,500. Therefore, she can deduct \$37,500. Because of the cap, even though she is in the 37% tax bracket, that is a reduced savings of \$13,125. In total, these two new limits, the giving floor and the 35% cap, reduce the tax value of Linda’s gift by \$1,675.\*

### Give Assets, Not Cash

While cash is easy, it is not always the most tax-efficient way to give. If you will be impacted by the new giving floor or deduction limits, the double tax benefit of giving appreciated stock or real estate that you have held for longer than one year is especially valuable. It allows you to:

- **Bypass the capital gains tax** that would have been due on a sale of the assets. When you donate appreciated assets directly, you avoid the capital gains tax you would owe if you sold the asset first.
- **Deduct the full fair market value** of the assets. You may deduct the full fair market value of the asset (subject to the new giving floor and the 35% cap for high-income taxpayers).

The added capital gains tax benefit can more than make up for any limits on the charitable income tax deduction.

**Example:** Adelbert Wallace wants to give \$5,000 to CWRU this year. He is also considering selling shares of stock valued at \$5,000 (originally purchased for \$2,000). Wallace decides to donate the stock to CWRU directly. This allows him to avoid paying the capital gains tax on the \$3,000 appreciation—a savings of \$450 in his 15% capital gains tax bracket. If he meets the 0.5%-of-AGI giving floor, he can also take a deduction for the full \$5,000 (subject to limitations).

In this example, the real difference is the capital gains tax. If Adelbert sells the stock and donates the cash, he must realize a gain and owe capital gains tax, whereas if he donates the stock directly, he avoids the capital gains tax entirely.\*

### Give from Your IRA

If you are an IRA owner age 70½ or older, a qualified charitable distribution (QCD) from your IRA is one of the most practical and tax-wise ways to give, whether you itemize or not. Because it reduces your taxable income directly, this option is unaffected by the new limitations on deductions.

By transferring funds directly from your IRA to CWRU, you can:

- Pay no income tax on the distribution (up to \$111,000 in 2026).
- Satisfy all or part of your required minimum distribution (RMD) if one is due.

**Example of IRA/QCD Giving:** Former faculty member Marie, age 78, is required to take a \$10,000 taxable distribution from her IRA this year. Instead, she uses a QCD to distribute \$10,000 from her IRA directly to CWRU. She pays no income tax on the \$10,000 transfer and satisfies her RMD.\*

### Give for Multiple Years in One Tax Year

**Bunching gifts** simply means making larger, less frequent gifts to secure a more powerful tax advantage. For example, you might give two years’ worth of gifts to the university this year, then skip your usual donation next year. This can help ensure that you surpass the standard deduction (making itemizing worthwhile), although you are still subject to the 0.5% giving floor.

**A donor-advised fund (DAF)** can be an effective way to support CWRU over time while still taking advantage of strategies like bunching gifts—an approach that can be especially helpful under the OBBBA’s new deduction limits. With the new limits on deductions, a DAF can be a strategic way to donate a larger amount, take the full deduction now and then make grants to us over the next few years. You also have the option to name us as the beneficiary of the DAF to receive any remaining funds after your lifetime.



**Example:** After receiving an inheritance, graduate student Jordan contributes \$50,000 to a DAF. He claims the full deduction in that year, then recommends grants of \$10,000 annually to CWRU over the next five years. The DAF gives him flexibility, consistency and the joy of seeing his gifts make a lasting impact.\*

Many families use DAFs to turn generosity into a family tradition by engaging younger generations in giving decisions. This is an easy way to pass on your values and create shared experiences around philanthropy.

### Give for the Future

One way to avoid the new limitations on charitable deductions is to add Case Western Reserve University to your will or living trust or name the university as the beneficiary of a life insurance policy or retirement account. These legacy gifts reflect your values, strengthen our mission and demonstrate lasting care for our students. A future gift also has no impact on your current finances and is easy to change if your needs or goals change.

If you have already planned a future gift to Case Western Reserve University, we invite you to share that news with us. It would be our pleasure to thank you for helping ensure future generations can experience all the university has to offer and to welcome you into the Luminary Society—our community of supporters who are lighting the way forward through their generosity.