Wisconsin Pharmacy Foundation

TAX LAW CHANGES

WHAT YOU NEED TO KNOW

As you plan for the future, we wanted to share some important information regarding upcoming changes to U.S. tax laws that may affect your financial planning and charitable giving.

Several new tax provisions are scheduled to take effect in 2026. We have summarized the key points that may be relevant for your conversations with your financial or tax advisor. While the Wisconsin Pharmacy Foundation does not provide tax or legal advice, we are happy to work with you and your advisors to help you achieve your philanthropic goals.

WHAT'S CHANGING?

New Floor on Charitable Deductions (2026)
Starting in 2026, a new rule will reduce the value of charitable deductions. The first 0.5% of your adjusted gross income given to charity won't be deductible. For someone earning $200,000, this means the first $1,000 in charitable gifts won't count toward a deduction.

Higher Standard Deduction (2025)
The standard deduction is increasing to $31,500 for married joint filers and $15,750 for singles, with additional amounts for those 65 and older. This higher threshold means fewer people will benefit from itemizing deductions.

HIGH-IMPACT STRATEGIES TO CONSIDER

Accelerate Gifts into 2025
Making charitable contributions before December 31 allows you to avoid the new floor entirely. If you've been considering a significant gift to support WPF"s work in professional education and research, doing so in 2025 rather than waiting until 2026 may provide greater tax benefits.

HIGH-IMPACT STRATEGIES TO CONSIDER

Use Qualified Charitable Distributions
If you're 70½ or older, consider directing donations from your IRA through Qualified Charitable Distributions (QCDs). QCDs count toward your required minimum distribution but aren't included in your taxable income or modified adjusted gross income, which means they won't affect your Medicare premiums or other income-related thresholds. For 2025, you can transfer up to $108,000 from your IRA directly to a charitable organization.

Bunch Contributions with a Donor Advised Fund
With the higher standard deduction, many people don't receive immediate tax benefits from annual charitable giving. A Donor Advised Fund (DAF) can change that. Instead of giving smaller amounts each year, consider making a larger multi-year contribution that exceeds the standard deduction threshold. You'll receive an immediate tax benefit, then grant funds from the DAF over time. This strategy works well both for year-end 2025 and as an ongoing approach.

Wisconsin Pharmacy Foundation

The Wisconsin Pharmacy Foundation is a 501(c)(3) non-profit organization.
Contributions to the Wisconsin Pharmacy Foundation are tax-deductible to the extent permitted by law.
Our Tax ID number is 39-1817686.

Invest in the Future of Wisconsin Pharmacy

Your support of the Wisconsin Pharmacy Foundation helps build a resilient, skilled, and connected pharmacy workforce—today and for generations to come. Every gift fuels scholarships, leadership development programs, and workforce initiatives that directly impact patient care, cultivate emerging leaders, and strengthen the profession statewide. By including the Foundation among your top charitable priorities, you ensure that Wisconsin pharmacists are prepared to innovate, lead, and serve their communities with excellence.

For more information about supporting the Wisconsin Pharmacy Foundation, contact Kate Hartkopf at info@pswi.org or online at www.pswi.org/WPF