

# WILLIAM & MARY

## The Honorable Robert Boyle Legacy Society

### Key Aspects of the One Big Beautiful Bill Act

The One Big Beautiful Bill Act (OB3) was signed into law in July 2025 and included substantial changes to the tax code. Many of these changes were implemented in 2025 or will take effect in 2026 and could affect your financial, tax or estate planning goals. The following information outlines some of the main provisions of OB3 that apply to individuals and charitable giving and should be discussed with your professional advisors to understand how these changes could impact you and your family.

#### Individual Tax Law Changes

- Increased standard deduction was made permanent and indexed for inflation. 2025 deductions are \$15,750 for singles, \$23,625 for heads of household and \$31,500 for married filing jointly.
- Seven current tax brackets (10% to 37%) stay the same and were made permanent.
- SALT deduction cap increased in 2025. The cap on state and local tax deductions increased to \$40,000 with 1% increase per year through 2029 before reverting to \$10,000 in 2030.
- Deductions are available for taxes on qualified tips (max deduction \$25,000) and overtime (max deduction \$12,500 single, \$25,000 joint) with phase outs above certain incomes for 2025 through 2028.
- New deduction for individuals age 65 and older. Additional deduction of \$6,000 per individual with phase outs for MAGI above \$75,000 for 2025 through 2028.
- Estate tax exemption increased to \$15 million for 2026, up from \$13.99 million for 2025, indexed for inflation.

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## Changes to Charitable Giving

- New deduction for **non-itemizers** starting in 2026. Individuals can also deduct up to \$1,000 (single) or \$2,000 (married filing jointly) for charitable cash gifts. Donor advised funds and private foundations do not qualify.
- Extension of 60% AGI limit allowing **itemizers** to deduct up to 60% of AGI for cash donations to public charities.
- New deduction floor for **itemizers** in 2026, only allowing deduction for charitable gifts that exceed 0.5% of AGI.
  - Example: If an individual taxpayer's AGI was \$100,000, their first \$500 of donations would be disregarded. This means that if they donated \$2,000, they could only deduct \$1,500.
- New cap on deductions for **high income earners who itemize** beginning in 2026. For itemizers in the 37% tax bracket, charitable deductions will be capped at 35% beginning in 2026.



# THE HONORABLE ROBERT BOYLE LEGACY SOCIETY

## LEGACY & PREMINENCE FOR ALL TIME COMING



## Charitable Gift Annuities from IRAs

Most people who have retirement plans with annual required minimum distribution (RMD) amounts are aware that they can use Qualified Charitable Distributions (QCDs) to make a tax-free gift to a qualified charity each year and this QCD can be used to satisfy all or a portion of their RMD amount for that year. For people age 70½ or older with traditional IRAs, the SECURE 2.0 Act of 2022 included a new opportunity that allows individuals to make a one-time tax free transfer of funds through a QCD and use it to establish a charitable gift annuity (CGA). Traditional CGAs are a type of charitable gift where you donate cash or appreciated securities to a charity and in exchange, you receive an immediate tax deduction and guaranteed income for life, based on the annuity rate at the time of the gift. Currently, the annuity rate for a person who is 70½ would be 6.4%. At the end of the annuity term, any remaining funds are then used by the charity in the manner you direct.

If you are considering using your QCD to establish a CGA, there are some important differences between traditional CGAs and CGAs funded by QCDs. The chart on the following page highlights some of the main differences you should know.

Traditional CGA	CGA from an IRA
Cash or securities	Cash from IRA QCD
\$25,000 minimum	\$55,000 maximum (In 2026, indexed for inflation)
Flexible options for starting payments	Immediate payments
Charitable tax deduction	No charitable tax deduction
Can establish multiple CGAs through gifts of cash or securities	One time only per lifetime

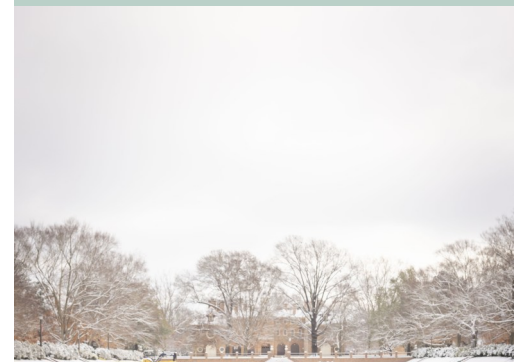
## Benefits and Drawbacks of LTC Insurance

Long-term care (LTC) insurance is a type of policy designed to cover extended care services that are not always covered by health insurance or Medicare, such as nursing homes, assisted living or in-home care. These costs can be substantial later in life and, for some people, create financial burdens or emotional strains on family members. To secure LTC insurance, you must apply, qualify and make regular premium payments.

LTC insurance can be helpful in protecting your assets. Without coverage, you may need to spend down savings or liquidate investments to pay for care, which can diminish what you intended to leave to your beneficiaries. By securing this insurance, you preserve wealth, maintain control over your care options and reduce stress for loved ones who might otherwise bear the financial and caregiving responsibilities.

Drawbacks of LTC insurance can include high premiums (especially for older applicants), increasing premium payments and the risk of outliving benefits due to coverage limits. Other reported drawbacks include waiting periods before benefits start and the chance you might not use the benefits after paying for years. Additionally, some people encounter policy limitations or claim denials for specific types of care.

If you are considering LTC insurance, it is important to compare different policies and speak with your professional advisors. Because coverage can vary widely across policies, understanding the specifics and weighing the benefits and drawbacks is critical to ensure the plan you select will meet your needs in the future.



## Legacy Society History

Established in 1992, the Honorable Robert Boyle Legacy Society was named in honor of the individual who made the first legacy gift to the university, Robert Boyle. Known as the father of modern chemistry and one of the pioneers of the modern scientific method, Boyle died two years before William & Mary's Royal Charter was granted. Boyle's will instructed that funds from his estate should be granted toward "charitable and other good and pious uses." The Brafferton building on campus was named for Brafferton Manor in England, which was purchased through Boyle's estate to provide income to William & Mary.

Today, the Legacy Society is over 2,000 members strong and growing. Like the Legacy Society's namesake, the forethought and generosity of our members will be interwoven into William & Mary's continuing preeminence and carry our legacy forward for all time coming.

## Meet the Gift Planning Team



L to R: Maguire Curran, Kirsten Kellogg '91, Rachel Drazdowski, Karen Youshock and Jennifer Cleveland

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## Dates to Know in 2026

Feb. 6: [Charter Day](#). Join us in Kaplan Arena to celebrate the 333rd anniversary of the awarding of the Royal Charter from King William III and Queen Mary II of England. You can also watch the livestream available through the Charter Day website.

**April 24-26: [Traditions Weekend](#).** A weekend for connection, reflection and learning. The Boyle Legacy Society Reception and Luncheon will be held on Friday, April 24, with a panel discussion about financial and estate planning before the reception.

May 28-31: [William & Mary Weekend in Washington, D.C.](#) Showcasing the exceptional alumni, students, faculty and more who are making an impact in D.C. and beyond. Join the W&M community for exciting one-of-a-kind events, lively discussions and insider looks at our nation's capital through a William & Mary lens.