



*Michael F. Odar, CFA[®]
Chief Executive Officer*

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Many Changes Have Occurred, Yet Our Purpose Remains Constant

February tends to be a time of reflection for me. Anniversaries of life events can do that to you. Last month, I celebrated my twenty-seventh “Workiversary” at Greenleaf Trust and was asked the question – What has changed over your years at Greenleaf and what have you been intentional about preserving at Greenleaf?

I think this is a really interesting question because obviously a lot has changed over those years but it’s what we have been intentional on preserving that has really fueled our success. Since I started, our team has grown from seven to two hundred. With a hiring philosophy of one more better than the best, I know where I stand. Five different generations are also now represented in our team. From one office we have expanded to eight offices in three different states. Our charter has changed from state to national and we have grown from a couple hundred million assets under advisement to twenty-two and a half billion.

The way we work has also evolved. Our format is flexible. Some teammates come into the office every day and some are remote. Most have adopted a hybrid approach to being in the office or working from home. Virtual meetings are commonplace. It used to be that the vast majority of client meetings occurred in our offices. Now, we typically meet with clients wherever is most convenient for them. Formal dress code has changed to dress for your day. This list can go on-and-on, so I will stop with I used to write trades for client portfolios down on a piece of paper and walk them down the hall to our trader.

Improvements are also a type of change. Beyond the “when I was your age” answers above, I am proud that over those twenty-seven years we have advanced our client service capabilities. We are able to provide clients with more personalized service, in more innovative ways and with more expertise. We provide more value-add holistic planning, a more seamless digital experience, are more readily available to our clients and through developed

Many Changes Have Occurred, Yet Our Purpose Remains Constant, continued

efficiencies can spend more time with and for them.

What has allowed us to adapt and thrive through changes as well as create improvements is the intentional preservation over the years of our core values and culture. Our core values of client first focus, integrity and accuracy, continuous improvement, teamwork, a budget focused on the client, and inclusive employment practices provide a foundation for all that we do. Our workplace culture rooted in relationships, integrity, respect, dependability, inclusion, and support provides an environment that engages and inspires talented teammates to be their best. If we were not intentionally focused on preserving our core values and culture in the face of changes over time, we would lose our compass. That type of failure can lead to inconsistent decisions, diminished trust, and a gradual erosion of our identity that has guided our success and commitment to Serve Clients More.

My sincere hope is that our clients feel that we serve them even better than when they first hired us, whether or not it was last year or twenty-seven years ago. ☑



*Nicholas A. Juble, CFA®
Chief Investment Officer*

“Economic data releases have pointed to a strong start in 2026.”

Economic Commentary

As we enter the third month of 2026, we continue to believe that growth tailwinds outnumber headwinds this year. The January 2026 jobs report surprised positively, inflation continues to decelerate and corporate earnings growth prospects remain robust. Federal policy continues to generate headlines ranging from a partial government shutdown to Supreme Court rulings impacting trade policy to the nomination of a new Chair of the Federal Reserve. As the data and news rolls in, the markets are off to a solid start, building on three consecutive years of positive results.

Economic Tailwinds

Economic data releases have pointed to a strong start to 2026. The January jobs report saw hiring grow at its fastest rate since December 2024. Employers added 130k jobs, doubling estimates and the unemployment rate fell to 4.3% from 4.4% a month earlier. On the other hand, revisions to 2025's data were negative, dropping average monthly job gains from a level of 49k per month to just 15k per month. We are hopeful January's data indicates a stabilizing labor market, but for now we continue to believe the labor market is “slowly slowing”, characterized by low levels of hiring and low levels of firing.

Likewise, the January year-over-year inflation levels (+2.4%) improved

from December and beat expectations, marking the lowest level since May of last year. Core inflation, which excludes the volatile food and energy prices rose 2.5% year-over-year, a rate not seen since March 2021. As anticipated, the FOMC kept rates steady in January. The positive move in the labor market coupled with the continued easing of inflation leads us to believe that the Fed will remain patient.

Not all news has been positive, however. The release of Q4 and full year GDP showed the economy slowing after a strong summer for economic activity. While still positive, the 1.4% annualized growth rate in Q4 fell far below the 4.4% growth of Q3 and missed analyst estimates. 2025 real GDP growth registered 2.2%, again below expectations given the weak reading in Q4. 2025's prolonged government shutdown weighed on growth, with economists estimating a 1% impact. On February 14 the U.S. entered another brief government shutdown before agreeing on 11 of 12 funding packages. Today, only the Department of Homeland Security remains in a shutdown as lawmakers debate funding levels and operational protocols for immigration enforcement. While risks of a market slowdown remain present; overall, the economy appears to be on stable footing.

Tariff Ruling

On February 20, the Supreme Court ruled 6-3 against the administration's "reciprocal" tariffs justified under the International Emergency Economic Powers Act (IEEPA). The court did not rule on whether or how tariffs collected since last April may be refunded to importers.

The administration has at least five other legal avenues to consider for enacting similar tariffs, though they come with more restrictions. After the ruling, the President initially signed a proclamation invoking Section 122 of the Trade Act of 1974 to impose a flat 10% tariff on foreign goods before announcing an intended increase to 15%. The new tariffs took effect at the 10% level on February 24 and will extend for 150 days at which point they will expire without Congressional ratification. The average effective tariff rate on all imports is expected to be modestly lower under this new program, with certain countries like China and India benefitting from a lower rate with others facing a higher rate. The President has also discussed using Section 232 of the Trade Expansion Act of 1962, which permits tariffs on particular industries on national security grounds. We continue to believe the administration will seek alternative legal means to enact similar trade policies to the ones invalidated by the Court but the complexion is not yet known.

US trading counterparties are reacting as well. IEEPA tariffs were used as leverage in bilateral negotiations. China, Japan, South Korea

“While risks of a market slowdown remain present; overall, the economy appears to be on stable footing.”

Economic Commentary, continued

“Trade policy remains in flux, creating a potential headwind as businesses and consumers adjust to the evolving landscape.”

and the UK have all negotiated trade agreements with the United States since last April. The European Union responded to the court ruling by pausing its ratification of a US trade deal as it seeks more details on trade policy changes. Trade officials from India postponed a trip aimed at finalizing their interim deal. These developments leave trade policy as a potential source of headline risk, but we continue to believe uncertainty is lower than last April and another ‘tariff tantrum’ impacting risk-assets is unlikely.

New Fed Head

On January 30, 2026, President Trump nominated former Federal Reserve Governor Kevin Warsh to succeed Jerome Powell as Chair of the Federal Reserve. Warsh will take the reins, assuming he is confirmed by the Senate, when Powell’s term expires in May. The announcement triggered volatility in assets considered to be alternative currencies, with bitcoin prices falling 7%, gold losing over 10% of its value, silver falling more than 30% in a single day. The U.S. Dollar surged in response, while long-dated Treasury yields jumped, causing a steepening of the yield curve.

This volatility stems from Warsh’s proposed “QT-for-rate-cuts” framework, hinted at in a November WSJ op-ed, which calls for resuming Quantitative Tightening (QT) and potentially selling mortgage-backed securities to shrink the roughly \$6.5 trillion balance sheet, while simultaneously lowering short-term interest rates.

The path for Warsh’s confirmation runs through the Senate Banking Committee where Senator Thom Tillis (R-NC) has vowed to block any appointments until a DOJ probe into the Fed’s renovation of its headquarters is concluded. Treasury Secretary Scott Bessent met with GOP Senators and believes there is a path for holding confirmation hearings. We ultimately expect Warsh to be confirmed and will be listening closely to his ideas for reforming the Fed as he proceeds through the confirmation process.

Conclusion

In summary, the economy and markets still appear to be on solid footing. Trade policy remains in flux, creating a potential headwind as businesses and consumers adjust to the evolving landscape. Attention will likely shift this spring to the confirmation of Mr. Warsh as the next Chair of the Federal Reserve and markets will be assessing the potential impacts of his reform ideas. While these transitions may trigger short-term volatility, we advise you to remain focused on fundamentals and committed to your thoughtfully-constructed long-term financial plans. On behalf of our entire team, thank you for the opportunity to serve on your behalf. ☑

Digital Assets and Fiduciary Oversight

When Your Greatest Asset is a Password Nobody Can Find

Picture this: A family is gathering after the unexpected passing of their 58-year-old patriarch – a tech-savvy entrepreneur who had, over the past decade or so, amassed a very meaningful portfolio of cryptocurrency. He had mentioned it at Thanksgiving dinner more than once, usually right before someone changed the subject to football. Fast forward a few months and his personal representative is staring at a laptop, a crumpled piece of paper with a bunch of words on it and three adult children asking a very logical question: “Where’s the money?”

As it turns out, it was locked behind a private key that went to the grave with him. Gone forever was an estimated \$500,000 in digital assets! Not because the market crashed, but instead because nobody planned for it.

He had a will, trust, a solid estate plan and a trusted advisor he had worked with for fifteen years. He just never mentioned the cryptocurrency.

As Fiduciaries, our responsibility has always been to act in the best interest of those we serve. In 2026, that responsibility now firmly includes the digital world.

The Digital Asset Landscape Has Changed – Fast

Digital assets are no longer a fringe phenomenon. As of 2026, an estimated 14% of the U.S. adult population own some form of cryptocurrency, which doesn’t account for the broader universe of digital assets, including NFTs (non-fungible tokens), tokenized real estate, digital brokerage accounts, online business equity, domain names, loyalty point portfolios and even valuable in-game assets where it’s rumored that individual gamers may hold in-game inventories worth more than their 401(k) balances.

What Exactly Is a “Digital Asset” in This Context?

For estate and fiduciary purposes, digital assets fall into a few broad categories:

- *Financial Digital Assets* – Cryptocurrency (Bitcoin, Ethereum, Etc.), Digital Securities, tokenized investments, peer-to-peer lending accounts and digital payment accounts such as PayPal or Venmo.
- *Business & Income Producing Digital Assets* – Monetized social media accounts, websites generating ad revenue, e-commerce stores, intellectual property registered digitally and software licenses. A YouTube channel with 500,000 subscribers can generate thousands of dollars monthly, which is real value to an estate or a beneficiary.



*Adam Mangiapane
Trust Relationship Officer*

“Digital assets are no longer a fringe phenomenon. As of 2026 an estimated 14% of the U.S. adult population own some form of cryptocurrency...”

*Digital Assets and Fiduciary Oversight,
continued*

“The Revised Uniform Fiduciary Access to Digital Assets Act (RUFADAA) has been adopted by most U.S. states and provides the legal framework for Fiduciaries to access Digital Assets...”

- *Access Dependent Assets* – Online Bank accounts, brokerage platforms and digital wallets where underlying assets exist in digital form, but access requires authentication.
- *Sentimental or Personal Digital Property* – Photos, videos, emails and personal documents stored in the cloud. Although these may not carry monetary value, the sentimental value is significant for loved ones.

The Expanding Responsibility of Fiduciaries

Although fiduciary law is evolving to adapt to advances in technology, it has not entirely kept pace with it. The Revised Uniform Fiduciary Access to Digital Assets Act (RUFADAA) has been adopted by most U.S. states and provides the legal framework for fiduciaries to access digital assets; however, only when properly authorized in advance through legal documents or a platform’s own tools.

For a fiduciary this creates a two-part exercise: first, the fiduciary must identify and account for all the digital assets as part of comprehensive planning; and second, ensure the legal authority to access and ultimately manage those assets is established. Without both, the fiduciary may find themselves legally, and for all intents and purposes – locked out.

Key Consideration: Authorization must be established before it is needed. Waiting for death or incapacity to address digital assets is almost too late.

Useful Steps for Fiduciaries Today

Whether you are advising clients, serving as a professional trustee, or helping a family member get their affairs in order, the following steps represent the sound approach for digital assets.

1. *Digital Asset Inventory:* Work with the individual to create a comprehensive, and updated list of all digital accounts, assets and access credentials. This list should be stored securely – a fireproof safe, a digital vault, and/or with a trusted attorney/advisor and be sure to review and update the list at least annually.
2. *Proper Legal Authorization:* Review all Estate Planning Documents – wills, trusts and durable power of attorney – to confirm they include explicit digital asset access language consistent with RUFADAA.
3. *Platform Tools for Designations:* Many platforms – including Google, Facebook and major cryptocurrency exchanges – allow users to designate legacy contacts or beneficiaries directly on platform. Similarly to retirement accounts, these designations operate independently from estate documents and allow for immediate access. Completing these designations is a critical part of their overall planning.

4. *Cryptocurrency Requires Special Care:* Cryptocurrency held in self-custody (cold wallet) requires recovery phrase documentation. There is no password to reset, bank to call, or court order that can unlock a wallet without a private key. A client or family member holding meaningful cryptocurrency must document their recovery phrase in a secure, accessible location – and their fiduciary must know where to find it.
5. *Digital Asset Agenda Item:* For professional and corporate fiduciaries, digital asset discovery should be part of every estate administration checklist and every relationship review meeting. The landscape changes quickly, and the client’s exposure to digital assets two years ago may look quite different from today.

The Bottom Line

The story at the beginning of this article is not hypothetical. Scenarios like it are playing out in probate courts and family conversations across the country every day. It is estimated that billions of dollars in digital assets are permanently inaccessible due to the failure to properly plan.

As fiduciaries – whether personal or professional – we can help prevent that outcome for families and individuals who have placed their trust in us. The tools exist and the legal framework is largely in place. All we have to do is ask the question: “What digital assets do you have, and does someone know how to find them?”

Asking that one question consistently and followed up with proper planning, may be more valuable than the investment strategy implemented for them this year. 

“For professional and corporate fiduciaries, digital asset discovery should be part of every estate administration checklist and every relationship review meeting.”



*Garrett Urman, CFP®
Senior Wealth Management Advisor*

“Trump Accounts are tax-deferred savings accounts for children, created by the OBBBA and available starting July 4, 2026.”

Trump Accounts: An Overview and Comparison

Trump Accounts are generating significant interest across the financial planning community and among clients with young children or grandchildren. Created under the One Big Beautiful Bill Act (OBBBA) and codified under IRC Section 530A, these new savings vehicles represent a novel, and still evolving, option for building wealth on behalf of minors. The following is an objective, educational overview of what we currently know about Trump Accounts, what remains unclear and how they compare to two more established savings alternatives – 529 Savings Plans and Uniform Transfers to Minors Act (UTMA) accounts.

What Are Trump Accounts

Trump Accounts are tax-deferred savings accounts for children, created by the OBBBA and available starting July 4, 2026. Any child under the age of 18 who has a valid Social Security number is eligible to open an account. The account is owned by the child but administered by a parent or guardian until the child turns 18. Contributions may come from a variety of sources including parents, grandparents, other individuals, employers, government entities and tax-exempt organizations. Only one funded Trump Account is permitted per child.

The primary centerpiece of Trump Accounts is the federal government’s one-time \$1,000 “seed” contribution for U.S. citizens born between January 1, 2025, and December 31, 2028, provided a tax election is filed on the child’s behalf. Children born outside that window are still eligible to open an account; however, they simply will not receive the seed contribution.

What We Know

Key rules and mechanics we have a reasonable understanding of are:

- **Contributions:** Annual contributions are capped at \$5,000 (indexed for inflation starting in 2027) per child and does not include the \$1,000 seed contribution. Multiple sources can contribute annually, the most common likely to be after-tax contributions from individuals (parents or grandparents) and contributions from employers. Employers may contribute up to \$2,500 per employee per year (counting toward the \$5,000 maximum), either through direct employer contributions or employee pre-tax salary deferrals through a benefits plan. Importantly, the child does not need to have earned income to receive contributions, a key distinction from Traditional and Roth IRA savings plans.

- *Investments:* Investment options within Trump Accounts are intentionally limited. Funds must be invested in low-cost index mutual funds or exchange traded funds that track the S&P 500 or another qualifying U.S. equity index, with at least 90% of holdings in U.S. companies. This structure prioritizes simplicity and low-cost investment vehicles.
- *Withdrawals:* Withdrawals from the account are generally prohibited before the year the child turns 18. After age 18, the account is treated like a traditional IRA, meaning distributions before age 59 and ½ are mostly taxable as ordinary income and subject to a 10% early withdrawal penalty, with limited exceptions.
- *Tax Considerations:* Tax treatment depends heavily on the source of contributions. Individual (after-tax) contributions are not taxable when withdrawn, but earnings always are. Pre-tax employer and employee salary deferral contributions are fully taxable upon withdrawal as is the government seed contribution when distributed. This emphasizes the importance of keeping accurate records of Trump Accounts once established.

What We Still Need to Understand

While the legislative framework is in place, important details still need to be clarified by the IRS. Areas we are closely monitoring are:

- *Gift Tax Treatment:* Whether contributions from individual donors will trigger federal gift tax filing requirements is unknown. If contributions are treated as “future interests,” donors may need to file gift tax returns and may use lifetime exemption, a potentially significant concern.
- *Roth Conversions:* It is unclear whether the account owner may convert their Trump Account to a Roth IRA at age 18. Such a conversion would be highly beneficial, enabling decades of tax-free growth.
- *Management Logistics:* The IRS is still developing the approved list of investment options, and clarification is still needed on how the parent or guardian may be able to transition the account from an initial custodian chosen by the US Treasury to other providers.

Comparing Trump Accounts, 529 Savings Plans, and UTMA Accounts

Each savings vehicle serves a different purpose and carries distinct advantages and limitations. The table below provides a high-level, side-by-side comparison across the most important features of the three savings vehicles.

“After age 18, the account is treated like a traditional IRA, meaning distributions before 59 and 1/2 are mostly taxable as ordinary income and subject to a 10% early withdrawal penalty, with limited exceptions.”

Trump Accounts: An Overview and Comparison, continued

“Trump Accounts represent a new and noteworthy tool in the child savings landscape, and the \$1,000 seed contribution is an opportunity that eligible families should not overlook.”

| Feature | Trump Account | 529 Savings Plan | UTMA Account |
|-------------------------------------|--|---|---|
| <i>Purpose</i> | Retirement savings | Education savings | General savings |
| <i>Contribution Limit</i> | \$5,000 combined/year per child | \$19,000/year per contributor, to avoid gift tax (special circumstances allow for substantially higher amounts) | No limit (gift tax rules apply) |
| <i>Government Seed Contribution</i> | Yes (births 2025 – 2028) | None | None |
| <i>Tax Treatment</i> | Tax-deferred growth; Distributions taxed as income | Tax-deferred growth; Distributions tax-free for qualified education withdrawals | Subject to Kiddie Tax |
| <i>Withdrawal Rules</i> | No withdrawals before age 18; Traditional IRA rules thereafter | Tax-free for qualified education expenses; 10% penalty + taxes on non-qualified withdrawals | Withdrawals allowed for exclusive benefit of the minor; Subject to Kiddie Tax |
| <i>Control</i> | Child owns; adult custodian manages until age 18 | Account owner maintains control; can change beneficiary | Child gains full control at age of majority (18-25) |

Conclusion

Trump Accounts represent a new and noteworthy tool in the child savings landscape, and the \$1,000 seed contribution is an opportunity that eligible families should not overlook. However, they are not a replacement for existing vehicles. For families focused on education savings, a 529 savings plan remains the gold standard, offering superior tax benefits, greater contribution flexibility and parental control. For families seeking general savings without restrictions, an UTMA may be appropriate, with the understanding of its limitations. Trump Accounts may best serve as a complement to these existing strategies, particularly for long-term, retirement-oriented savings for a child. As always, the right combination depends on each family’s specific goals, tax situation and time horizon. ☒

Retirement Plan Contributions – How to Feel Confident in Your Deferrals

One of the most difficult questions when it comes to maintaining your defined contribution (DC) retirement plan is how much money should be going in. You'll see guidelines online that assert that contributing 15%-20% of your paycheck with each deferral is a good goal. That certainly will allow your account balance to accumulate at a great rate, but that is not a small chunk of change, especially if your current contribution rate is far off from that target. There are certainly plenty of employees who are not in a position to reach that number in their current financial situation. This begs the question: What is the right contribution amount for you?

The first important thing to know is that contribution rates are not static. If your contribution rate is too high or too low, you can generally adjust it at any time. This allows you to be a bit more comfortable when it comes to experimenting with numbers, and doesn't punish you heavily for being too safe or too risky. Safe, however, is the keyword here. It is not easy to access funds within a retirement account before retirement, oftentimes it is even impossible. If you defer too much money and don't have the savings necessary to cover urgent expenses, things can get tricky fast. Make sure that you have enough accessible savings for your expenses, and money saved away for emergencies. If even doing a very small contribution would put you at financial risk, do not do it. Take care of your own finances, and once you are in a more comfortable position, reassess what you are able to do in your retirement account.

If you do have a comfortable amount of savings, we can begin to look at how much of your paycheck should be contributed each pay period. Should we jump right in and contribute 20%? You can certainly try, but going from no contributions to a fifth of your paycheck is a pretty big jump, and can blindside you if you aren't adequately prepared. Instead, we can ease our way in by utilizing the employer matching contribution. Many employers will offer a matching contribution for a certain percentage of employee deferrals, up to a limit. This means that if you make contributions to your retirement account, your employer will too. Generally, these employer contributions are maximized somewhere between 3%-6% of your paycheck. For example, a very common match is '100% on your first 3%, 50% up to 5%.' What this means is a 3% contribution from your own paycheck will also net you a 3% contribution



Nicholas Bourbeau
RPD Business Analyst

“One of the most difficult questions when it comes to maintaining your defined contribution (DC) retirement plan is how much money should be going in.”

Retirement Plan Contributions - How to Feel Confident in Your Deferrals, continued

“As a retirement plan provider, our sole goal is to help you save for a retirement you can be proud of, without sacrificing your current wellbeing.”

from your employer, and a 5% contribution will get you 4%. With this formula, deferring just 5% of your salary will net you 9% in total contributions. With this information on our side, a good starting point for contributing is simply maximizing the employer match.

Once we are contributing enough to receive the full match, we can take our time and assess where exactly we are. Is this causing us to diminish our savings? If so, it may be time to start working on a budget, or lowering/stopping contributions in order to stay financially stable. Are we feeling comfortable with the current amount we are contributing? Maybe we can try ticking our contribution rate up a percentage point or two and reassess in a month or so, maybe we should stop there, or maybe we can keep increasing. There is no catch all answer to how much each person should be contributing to their retirement account. Every person has a unique situation that will impact how much they are able to save. Once we are able to assess our baseline situation, we are able to ease our way up to a contribution rate we are comfortable with.

As a retirement plan provider, our sole goal is to help you save for a retirement you can be proud of, without sacrificing your current wellbeing. We have no interest in coercing you into a contribution rate that you are not comfortable with. We are here to help you every step of the way towards retirement, and are happy to provide the insight necessary to make choices you can feel confident in. ☑

Charitable Giving in 2026: The Good, the Bad, and the Ugly

The One Big Beautiful Bill Act, OB3, made significant changes to charitable giving, and the income tax deductions that often motivate a charitable gift. Those changes impact what to give and how the gift is made.

A Quick Summary

A quick summary of the good, the bad, and the ugly of those new tax rules applicable to charitable gifts follow.

Standard Deduction: The standard deduction claimed by most individuals and married couples increases in 2026. The standard deduction is \$16,100 for an individual and \$32,200 for a married couple. While a few more individuals might itemize their tax deductions in 2026 due to the deductions for tip earnings, overtime earnings, seniors over age 65, the interest paid on certain auto loans, and qualified business income for small businesses, most Americans will continue to claim the standard deduction. Consequently, most charitable gifts will not be deductible, with one important exception.

Cash Gift Deduction Limit: The Act fortunately makes permanent the rule under the 2017 Tax Act that a donor can contribute cash to charities up to 60% of the donor's taxable income for the year. Any cash gift to a charity that is above the 60% income ceiling can be carried over and used by the donor during the following five tax years.

Above-the-Line Cash Gifts: The Act creates a new \$1,000 charitable deduction for gifts of cash to 501(c)(3) charities by an individual, (\$2,000 for a married couple). This income tax deduction is available even if the taxpayer claims the standard deduction and does not itemize his or her tax deductions. Note that only a gift of cash is available for this above-the-line charitable deduction. In addition, some charities like donor advised funds, private foundations and 'supporting' organizations (of other charities) are ineligible to receive this deductible contribution.

Charitable Deduction Limits: While it is nice to see that non-itemizers will be able to deduct up to \$1,000 for their cash gifts to charity, unfortunately, there also are some limits to those taxpayers who itemize their deductions.

Individuals: To begin with, an individual who donates to charity and itemizes his or her charitable deductions will be disallowed 0.5% of their charitable deduction. For example, if the donor has adjusted gross income of \$200,000 for the year, only a portion of the donor's charitable giving



*George F. Bearup, J.D.
Senior Legal Trust Advisor*

“Any cash gift to a charity that is above the 60% income ceiling can be carried over and used by the donor during the following five tax years.”

Charitable Giving in 2026: The Good, the Bad, and the Ugly, continued

“As a result of this change in tax law, fiduciaries who control trusts and estates will now have to evaluate whether to increase charitable giving to reduce exposure to tax liability, or reserve liquidity for the resulting income tax burden that they did not have to face prior to the Act.”

above \$1,000 [$0.5\% \times \$200,000 = \$1,000$] will be deductible on her 2026 income tax return. 0.5% of the donor’s charitable gift will not be deductible.

High Earners: Similarly, high earning individuals also face a limit on the amount of their deductions, including their charitable deduction. Under the Act, only 35/37 of a charitable gift can be deducted by a high earner who is in the 37% marginal federal income tax bracket. By way of example, if the donor is in the marginal 37% federal income tax bracket only 35/37 of their contribution will be deductible, so that if the donor makes a \$10,000 gift to charity, only \$3,500 of that gift will be deductible by the donor, not \$3,700.

Corporations: If a corporation makes charitable gifts, its charitable deduction is also limited in 2026. The corporation’s deduction is limited to a 1% floor; only the portion of the corporation’s charitable gift above 1% of the corporation’s taxable income will be deductible; the first 1% of the corporation’s income will not be reduced by a charitable gift. The Act also continues a previous limit to a corporation’s tax-deductible amount to 10% of the corporation’s taxable income.

Trusts and Estates: A trust or an estate finds itself in the highest marginal federal income tax bracket once its income exceeds \$16,001 in 2026. The same 35/37 limit on deductions now applies to a trust or an estate, just like it does to a high earner, which was not the case prior to 2026. This change impacts an estate or trust that is directed by its terms to ‘pay all income to charity’. In the past, a ‘pay all income to charity’ direction permitted the trust or estate to offset its taxable income with a corresponding charitable deduction. Under the Act, with a ‘pay all income to charity’ direction, the trust or estate will still have income on which an income tax must be paid, but the trust or estate will not have any assets to pay the income tax liability, since the charity received all of its income. As a result of this change in tax law, fiduciaries who control trusts and estates will now have to evaluate whether to increase charitable giving to reduce exposure to tax liability, or reserve liquidity for the resulting income tax burden that they did not have to face prior to the Act.

Charitable Giving in 2026

Even after all of these changes as a result of the Act, there are still a couple of sound strategies available for charitable giving in 2026.

- *QCD:* The qualified charitable distribution (QCD) rules were not changed by the Act. A donor age 70 ½ who transfers funds directly from their traditional IRA can gift up to \$111,000 (in 2026) and not have the distribution included in their taxable income. However, the donor cannot deduct the QCD amount. A QCD will be treated as having satisfied, in whole or in part, the donor’s required minimum

distribution (RMD) obligation for the tax year. Note, though, that a QCD cannot be used for distributions to a donor advised fund, nor a supporting organization (of another charity) or a private foundation.

- *Bunching Gifts:* This strategy involves combining multiple years' worth of charitable donations into a single tax year. This approach to charitable giving enables the donor to exceed the standard deduction threshold and itemize their deductions for larger tax benefits. This is when a large gift to a donor advised fund can work, since the gift to the donor advised fund is deductible in a single tax year, yet the gifts to charities can be spread over several tax years with the donor directing the fund's grants.
- *Gifts of Stock:* Since the stock market has been on a tear for several years now, many donors will currently hold highly appreciated stock in their portfolios. If the donor is charitably inclined, a direct gift of appreciated stock (or other long-term assets) to charity, which gifts will allow a full fair market-value charitable deduction if itemized while avoiding any capital gains tax. A gift of such stock to a donor advised fund enables a large charitable deduction in one year, i.e., a bunching, with some level of control on the grants made using the stock sales proceeds over the following years. 

“Since the stock market has been on a tear for several years now, many donors will currently hold highly appreciated stock in their portfolios.”

Stock Market Pulse

| Index | 2/27/2026 | Total Return Since 12/31/2025 | P/E Multiples | 2/27/2026 |
|-------------------------------|-----------------|-------------------------------|----------------------------|-----------|
| S&P 1500 | 1,547.21 | 1.23% | S&P 1500 | 26.4x |
| Dow Jones Industrials..... | 48,977.92 | 2.12% | Dow Jones Industrials..... | 24.4x |
| NASDAQ..... | 22,668.21 | -2.39% | NASDAQ..... | 35.2x |
| S&P 500..... | 6,878.88 | 0.67% | S&P 500..... | 26.9x |
| S&P 400 | 3,575.27 | 8.33% | S&P 400 | 22.6x |
| S&P 600 | 1,580.95 | 7.98% | S&P 600 | 21.6x |
| NYSE Composite | 23,494.44 | 7.07% | | |
| Dow Jones Utilities..... | 1,190.23 | 12.04% | | |
| Barclays Aggregate Bond | 2,389.86 | 1.75% | | |

Key Rates

| | |
|----------------------|----------------|
| Fed Funds Rate | 3.50% to 3.75% |
| T Bill 90 Days..... | 3.60% |
| T Bond 30 Yr..... | 4.61% |
| Prime Rate | 6.75% |

Current Valuations

| Index | Aggregate | P/E | Div. Yield |
|--------------------------|----------------|-------------|------------|
| S&P 1500 | 1,547.21..... | 26.4x | 1.17% |
| S&P 500..... | 6,878.88..... | 26.9x | 1.15% |
| Dow Jones Industrials... | 48,977.92..... | 24.4x | 1.56% |
| Dow Jones Utilities..... | 1,190.23..... | 21.5x | 2.98% |

Spread Between 30 Year Government Yields and Market Dividend Yields: 3.44%

☒ GREENLEAF TRUST®

e-mail: trust@greenleaftrust.com

greenleaftrust.com

KALAMAZOO OFFICE:

211 South Rose Street
Kalamazoo, MI 49007
office: 269.388.9800
toll free: 800.416.4555

GRAND RAPIDS OFFICE:

25 Ottawa Avenue SW, Ste 110
Grand Rapids, MI 49503
office: 616.888.3210

BAY HARBOR OFFICE:

4000 Main Street, Ste 200
Bay Harbor, MI 49770
office: 231.439.5016

GREENLEAF TRUST DELAWARE:

20 Montchanin Road, Ste 160
Greenville, DE 19807
office: 302.317.2163

TRAVERSE CITY OFFICE:

160 E State St., Ste 200
Traverse City, MI 49684
office: 231.922.1428

BIRMINGHAM OFFICE:

34977 Woodward Ave., Ste
200 Birmingham, MI 48009
office: 248.530.6202

MIDLAND OFFICE:

117 East Main Street
Midland, MI 48640
office: 989.495.2033

GREENLEAF TRUST FLORIDA:

5811 Pelican Bay Boulevard, Ste 200
Naples, FL 34108
office: 239.944.3403

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