



QUICK REFERENCE GUIDE: OBBBA & YOUR ESTATE PLAN

What Is the One Big Beautiful Bill Act (OBBBA)?

Public Law 119-21, effective 2025–2026, reshapes charitable giving deductions and wealth transfer strategies at the federal level.

For California residents, these updates are especially important due to high state taxes and rising estate values.

Key Changes at a Glance

Topic	Current Rules (Before 2026)	OBBBA Rules (2026 & Beyond)	Planning Tip
Non-Itemizer Deduction	No deduction for non-itemizers	Deduct up to \$1,000 (single) or \$2,000 (joint) for cash gifts to public charities	Start recurring giving in 2026 to maximize this benefit
High-Income Deduction Cap	Full deduction up to 37% bracket	Deduction capped at 35% for high earners	Consider gifting before 2026
Charitable Deduction “Floor”	All donations deductible if itemizing	Only amounts above 0.5% of AGI deductible; corporations: above 1% of taxable income	Use bunching or donor-advised funds
Estate & Gift Tax Exemption	Set to sunset; previous limits apply	\$15M per person (indexed to inflation)	Take advantage of lifetime gifting strategies



New Charitable Giving Rules

For Non-Itemizers

- Starting 2026, you'll get a tax break even if you don't itemize.
- Deduct up to \$1,000 (single) / \$2,000 (joint) for cash gifts to public charities.
- Does not apply to donor-advised funds or private foundations.

For High-Income Donors

- Starting in 2026, deduction benefits capped at 35%.
- Large donors should accelerate giving in 2025 to maximize deductions.

For Itemizers & Corporations

- **Individuals:** Only donations over 0.5% of AGI are deductible.
- **Corporations:** Only gifts exceeding 1% of taxable income qualify.
- Consider fewer, larger gifts to overcome these thresholds.

Estate & Gift Tax Opportunities

- Federal estate & gift tax exemption rises to \$15 million per person in 2026.
- Indexed to inflation- meaning long-term stability for estate planning.
- This provides unprecedented opportunities to:
 - Transfer assets tax-free during your lifetime.
 - Reduce future estate tax burdens.
 - Combine with charitable giving for maximum impact.

Who Benefits Most from Planning Now

- High-income donors making significant annual contributions
- California families with valuable real estate, businesses, or investment portfolios
- Philanthropic clients wanting to maximize impact while minimizing taxes
- Anyone considering wealth transfers in the next 5-10 years



Goff Legal's Proactive Planning Approach

At Goff Legal, we:

- Review your existing estate plan for OBBBA impacts
- Create custom charitable giving strategies to maximize deductions
- Design lifetime wealth transfer plans that protect your assets
- Collaborate with your financial advisor and CPA for a coordinated approach

We're Here to Help!

Schedule your free discovery call today! Contact Goff Legal at (916) 625-6556 or at gofflegal.com.



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