

## Serving Charitable Clients: Dual Strategies Emerge

As tax laws and market dynamics continue to shift, it is important for attorneys, CPAs, and financial advisors to be aware of two increasingly distinct groups of donors. On one hand, the [high](#) federal estate tax exemption and new [restrictions](#) on itemizing charitable deductions are creating unique needs for your clients whose assets exceed \$30 million. On the other hand, the [new](#) charitable deduction for non-itemizers offers an entry point and incentive for your clients who are just starting out in their careers or still building wealth.



Recent research underscores just how pronounced this [divide](#) is becoming. Individuals with a net worth of \$30 million or more—often referred to as ultra-high-net-worth donors—are playing an increasingly outsized role in philanthropy, accounting for a significant and growing share of total charitable giving. At the same time, policy [changes](#) are encouraging broader participation at the other end of the spectrum, bringing new donors into the fold even if their initial gifts are modest. The result is a philanthropic landscape that is simultaneously becoming more concentrated and more expansive.

For your ultra-high-net-worth clients, charitable giving is rarely about a single transaction. Instead, it is often deeply [integrated](#) into long-term planning around wealth transfer, business succession, and family legacy. These clients may be evaluating complex assets, timing considerations, and multigenerational involvement. Conversations tend to focus on strategy—how philanthropy aligns with identity, values, and long-term impact. The Chester County Community Foundation can help you navigate these discussions by offering flexible structures, local insight, and support for engaging the next generation in meaningful ways.

By contrast, clients earlier in their wealth-building years—including the children and grandchildren of ultra-high-net-worth clients—may be engaging with charitable giving in a more incremental and exploratory way. The availability of a charitable deduction for non-itemizers creates a new [opportunity](#) to introduce philanthropy as part of their financial lives sooner than in the past. For these clients, the focus is often on establishing habits, identifying causes, and understanding how giving fits alongside other priorities. Even relatively small gifts can serve as the foundation for lifelong philanthropic engagement. (Note that the new deduction for non-itemizers applies only to cash gifts and is not available for gifts to donor-advised funds.)

These two groups are not just separated by wealth—they are operating under different incentives, different planning horizons, and different motivations. As a trusted advisor, recognizing these distinctions can help you tailor your conversations and add value in more meaningful ways. Some clients may benefit from sophisticated planning strategies, while others simply need a clear and accessible entry point.

Here is one final but important point: Regardless of whether a client itemizes or doesn't itemize, pay close attention to clients who are age 70 ½ and over and who own IRAs. Qualified Charitable Distributions are a powerful and tax-advantaged tool for clients to transfer up to \$111,000 per taxpayer (2026 limit) to support favorite causes. What's more, proposed [legislation](#) may open the door for your clients to use QCDs to fund their donor-advised funds at the community foundation. Right now, clients can use QCDs to fund field-of-interest, unrestricted funds, and certain other types of funds at the community foundation, but not donor-advised funds.

As always, the Chester County Community Foundation is here to support both ends of this spectrum. Whether your client is structuring a complex gift involving closely held assets or taking the first steps toward organized charitable giving, our team can help you identify the right approach. We are honored to be your partner in serving your charitable clients across every stage of their philanthropy journey.

For more information, contact the Chester County Community Foundation:

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*The team at the Chester County Community Foundation is a resource and sounding board as you serve your philanthropic clients. We understand the charitable side of the equation and are happy to serve as a secondary source as you manage the primary relationship with your clients. This newsletter is provided for informational purposes only. It is not intended as legal, accounting, or financial planning advice.*