



Legislative Updates

NWPGRT Presentation

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Current economic challenges...

- Ongoing supply chain issues resulting from the pandemic and war with Russia (wheat, corn, oil, and more)
- Tariffs on steel and aluminum
- Concern about rising inflation in the U.S.
- Gas prices in Oregon average \$5.283 per gallon (as of 7/18)

There's hope...

- Economy is back to full employment; 11 million job opportunities available (almost 2 per person)
- Gas prices are slowly dropping
- Charitable giving provides tax incentives

FY23 White House Budget Proposal

- Tax increases for households with incomes of \$400k+, and corporate tax increases
- Capital gains for taxpayers with AGI of \$1M+ treated as ordinary income

Changes to Charitable Deductions

- Capital gains tax triggered when assets transferred to irrevocable trust or at-death with a \$1M, one-time, exclusion per person. (No stepped-up basis or carry-over)
- Transfer of appreciated assets into split-interest charitable trusts subject to capital gains tax– realization event on non-charitable portion resulting in taxes for donor
- Reduction in estate tax exemption from \$12.06M (per individual) to \$3.5M – not included in the latest version of Build Back Better Act
 - Estate tax exemptions: \$1M (OR), \$2.193M (WA)

Charitable giving considerations for 2022 :

- Gifts of appreciated assets such as stock and real property to claim charitable deduction and mitigate increased income tax as well tax in capital gains.
- Promoting CRT's as a strategy to provide for heirs as well as mitigating capital gains
- IRA giving via QCD and naming charity as ultimate IRA beneficiary.
- The increase in charitable deductions of cash donations from 50% to 60% of AGI could sunset in 2025 (Tax cuts and Jobs Act)



Thank You