

**Federal Tax Benefit of using a "Bunching" Strategy for Donor-Advised Funds**

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SAMPLE CLIENT INFORMATION - MFJ (under age 65)

For illustration purposes only. This is not tax advice. Please see your CPA or tax advisor for tax advice.

	No Bunching - Every Year		Bunching - Year 1		Bunching - Year 2		Bunching - Year 3	
AGI:	\$	200,000	\$	200,000	\$	200,000	\$	200,000
Standard Deduction:	\$	24,000	\$	24,000	\$	24,000	\$	24,000
Medical:	\$	2,000	\$	2,000	\$	2,000	\$	2,000
Property Plus State Taxes*:	\$	15,000	\$	15,000	\$	15,000	\$	15,000
Home Mortgage Interest:	\$	5,000	\$	5,000	\$	5,000	\$	5,000
Charitable Contribution:	\$	15,000	\$	45,000	\$	-	\$	-
<b>Deduction Taken:</b>	<b>\$</b>	<b>30,000</b>	<b>\$</b>	<b>60,000</b>	<b>\$</b>	<b>24,000</b>	<b>\$</b>	<b>24,000</b>
<b>Contents:</b>	Property Plus State Taxes (\$10k)+Home Mortgage Interest (\$5k)+Charitable Contribution (\$15k)		Property Plus State Taxes (\$10k)+Home Mortgage Interest (\$5k)+Charitable Contribution (\$45k)		Standard Deduction		Standard Deduction	

<b>Total Allowable Deductions <u>Without</u></b>	
Bunching (3 Year Period):	\$ 90,000
<b>Total Allowable Deductions <u>With</u></b>	
Bunching (3 Year Period):	\$ 108,000
Added Allowable Deductions by Using Bunching (3 Year Period):	\$ 18,000
Federal Tax Savings (at a 24% Marginal Rate; 3 Year Period):	\$ 4,320

\*Limited to \$10k