

DECEMBER DAF DEADLINES:

# When Clients Need to Act for 2025 Tax Benefits



**A**s 2025 comes to a close, donors are looking to maximize their tax benefits, and many use donor-advised funds (DAFs) as part of their philanthropic strategy. This quick-reference guide provides key dates advisors need to know to ensure clients' charitable contributions are processed in time.

## THE MOST IMPORTANT THING TO KNOW

**Contributions to a DAF are tax-deductible in the year they're made—  
regardless of when grants are distributed to charities.**

Once funds enter a DAF, the donor receives an immediate tax deduction for that tax year—regardless of when grants are made to charities. All contributions made by December 31, 2025, will be fully tax-deductible on 2025 tax returns, even if grants don't go out until 2026 or beyond.

*Note: Processing times among brokers for stock contributions, contribution types, and delivery methods may vary significantly—consult individual brokers for specific timelines.*

# Key Charitable Giving Deadlines for 2025

## Cash Contributions

**DEADLINE: December 31, 2025**



- **Wire transfers:** Must be received by December 31. We recommend initiating by December 26 to ensure completion.
- **ACH/Checking account:** Submit by December 31. ACH transfers often require 2-3 business days to complete, so we recommend initiating by December 26.
- **Credit card:** Charges must be submitted by December 31
- **Checks:** Must be postmarked by December 31

## Stock and Securities Transfers

**RECOMMENDED DEADLINE: at least two weeks before year-end**



Stock and mutual fund transfers typically require 5-7 business days to complete, and year-end volume can cause delays. Processing times vary significantly among brokers.

- **December 17:** Recommended deadline to ensure 2025 processing
- **December 31:** Hard deadline (must be received), but not recommended due to processing delays

**CRITICAL:** Begin stock transfer conversations by December 15. Provide DTC instructions immediately and consult with the client's broker for specific timelines.

## Cryptocurrency Donations

**DEADLINE: December 31, 2025**



Crypto assets must be confirmed on the blockchain by 11:59 PM on December 31. Processing time varies by delivery method.

- **Recommended:** Initiate by December 22-27, depending on sponsor requirements
- **First-time crypto donors:** Begin the process by December 15

Many DAF sponsors require 3-5 business days for crypto transfers.

## Complex Assets

**Suggestion:** Focus these clients on 2026 planning and begin the process as soon as possible.

For most clients, the deadline for complex asset contributions has passed for 2025. Real estate, private stock, business interests, hedge fund interests, and carried interest typically require 30-90 days or longer to process.

## Grants to Charities

**RECOMMENDED DEADLINE FOR 2025 POSTMARK: December 26, 2025**

While contributions to a DAF are tax-deductible in the year they're made (not when grants are distributed), some clients may want grants to charities postmarked in 2025 for their own recordkeeping or to fulfill pledges.

**IMPORTANT REMINDER:** The timing of grants does not affect the donor's tax deduction—only the timing of contributions to the DAF matters for tax purposes.

## The Bottom Line

While December 31st is the technical deadline for 2025 tax benefits, practical charitable giving deadlines come much earlier—especially for more complex contributions.

**The safest approach:** proactively engage clients in early December to ensure contributions are processed smoothly, avoiding year-end stress and missed opportunities.

### Looking to elevate your firm's philanthropic offerings?

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### HAVE A QUESTION?

Call 800.839.0054 or send us an email at [info@foundationsource.com](mailto:info@foundationsource.com).

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