



**Credit Card
Revenues
in the Crosshairs**



Delaware Bankers Association

P.O. Box 781

Dover, DE 19903-0781

Phone: (302) 678-8600

www.debankers.com

BOARD OF DIRECTORS

CHAIR

Caroline Harty Dickerson

CEO & Treasurer, Commonwealth Trust Company

CHAIR-ELECT

Diana Clift

Head of Legal, Barclays

DIRECTORS-AT-LARGE

Christine Davis

EVP, Chief Risk Officer

WSFS Bank

Nicolas Jafarieh

Executive Vice President

Sallie Mae

Katie Wilkinson

SVP Commercial and Middle Market Banking – Portfolio Management Leader

Fulton Bank

DIRECTORS

Yanina Sgroppo Emerick

Chief Compliance Officer

County Bank

Don Mell

Executive Dir., Site Lead DE Market

JPMorgan Chase

Jennifer Golek

Head of Bank Operations, Managing VP

Capital One

Greg Miraglia

SVP, DE Market Exec. & Wealth Dir.

PNC Private Bank

Lisa Kirkwood

SVP, RVP of Delaware and Maryland

TD Bank

Mark Oller

Delaware Trust Executive

US Trust Company of Delaware

William LaFond

President for DE and the Eastern Shore

of MD Regions, Wilmington Trust

Joel Schiller

SVP CRO: Compliance & CRA Officer

Artisans' Bank

Elizabeth Luk

Head of Delaware Trust

BNY Mellon Wealth Management

Baron Schlachter

Comenity Bank President

Bread Financial

President, CEO & Treasurer

Karyn Polak

Delaware Banker

Editing & Design

Greg Koseluk



Winter 2026

Vol. 22, No. 1

The Quarterly Publication of the Delaware Bankers Association

Contents

President's Report	4
View from the Chair	6
What's New at the DBA	8
Credit Card Revenues in the Crosshairs	10
Springing the Delaware Tax OPPORTUNITY	16
SBA Lending in a Changing Risk Environment	20
Banking on Delaware's Future	24
Charitable Thoughts	26
Accounting for Success	28
Lending Law Update	30

SUBMISSIONS

Delaware Banker welcomes news items from members of the Delaware Bankers Association. Direct submission requests to Greg Koseluk at greg.koseluk@debankers.com.

SUBSCRIPTIONS

Delaware Banker is available free of charge to all officers, executives, management, and key personnel of DBA members. To be placed on the subscriber list, please email Greg Koseluk at greg.koseluk@debankers.com.

ADVERTISING

Advertising inquiries should be directed to Greg Koseluk at (302) 382-6467 or greg.koseluk@debankers.com. Rates will be furnished upon request.

Editorial Disclaimer:

The opinions expressed in articles by authors other than the Association staff and officers are the responsibility of the authors only and not necessarily those of the Delaware Bankers Association. Questions and comments should be addressed to the Editors. No part of this publication may be reproduced without the written permission of the Editors. Copyright 2026 by the Delaware Bankers Association. All Rights Reserved.

Delaware Banker seeks to provide banking updates and other news of interest to the members of the Delaware Bankers Association. With the exception of official announcements, the Delaware Bankers Association disclaims responsibility for opinion and statements contained in Delaware Banker, and does not endorse any product or service. Delaware Banker is designed to provide accurate information on the subject matter covered. It is presented with the understanding the publisher is not engaged in rendering legal, accounting, or other professional services or advice.



**Gina Schoenberg
and
Jennifer Reeve**
Young Conaway Stargatt & Taylor, LLP

"While OBBBA enacts sweeping tax legislation affecting many areas of tax law, this article focuses on changes affecting the charitable deduction."

Changes to the Charitable Deduction Under the OBBBA

Public Law 119-21, better known as the One, Big, Beautiful Bill Act ("OBBBA") is now in full effect. While OBBBA enacts sweeping tax legislation affecting many areas of tax law, this article focuses on changes affecting the charitable deduction.

A new above-the-line deduction allows individual non-itemizers to claim up to a \$1,000 charitable deduction (\$2,000 for taxpayers filing jointly) for cash contributions to qualified charities during the taxable year, in addition to the standard deduction. Contributions to 509(a)(3) supporting organizations and donor advised funds, however, are explicitly excluded.

For itemizers, OBBBA permanently sets the ceiling on deductions for cash charitable contributions at the excess of (a) 60% of the taxpayer's "contribution base" over (b) the aggregate amount of contributions taken into account under § 170(b)(1)(A) of the Internal Revenue Code for the year. The "contribution base" is equivalent to the taxpayer's adjusted gross income without regard to any net operating loss carryback.

Individual itemizers may deduct charitable contributions only to the extent total contributions exceed a floor of 0.5% of their contribution base, with statutory ordering rules determining which contributions are treated as nondeductible for purposes of applying the floor.

For itemizers in the 37% rate bracket, itemized deductions are reduced by 2/37ths of the lesser of (a) the amount of allowable itemized deductions or (b) the amount of the taxpayer's taxable

income (determined without regard to itemized deductions) to which the 37% bracket applies. Thus, high-income taxpayers may be subject to a larger limitation on itemized deductions than lower-income taxpayers.

For corporate taxpayers, in addition to extending the pre-existing 10% ceiling on corporate charitable deductions, such deductions are newly subject to a 1% floor. Thus, charitable contributions are only deductible to the extent they exceed 1% and do not exceed 10% of the corporation's modified taxable income.

For both individuals and corporations, if charitable contributions exceed the applicable ceiling, all disallowed contributions, including those subject to the applicable floor, may be carried forward for up to five years on a first in, first out basis (reduced to the extent they reduce taxable income and increase net operating loss carryovers). However, if charitable contributions do not exceed the ceiling, none of the contributions disallowed by the floor may be carried forward.

Takeaways for maximizing a charitable deduction under OBBBA's framework include:

- Individual non-itemizers should track their charitable contributions to claim their \$1,000 (single)/\$2,000 (joint) charitable deduction.
- Individual itemizers and corporate taxpayers may benefit from bunching their contributions into a single year to reduce the amount disallowed by the applicable floor and maximize the amount that can be carried forward.

YOUNG
CONAWAY

DISCOVER **EXCELLENCE** in Business Planning & Tax

Asset Protection
Business Transactions
Entity Formation & Governance
Legal Opinions
Tax, Trusts, & Estates



Craig Gear



Vincent Thomas



Leah Burcat



Daniel Cole



Harrison Conaty



Emily Cowan



Justin Duda



James Hughes



Travis Maurer



Lauren McCrery



Richard Nenno



Kenneth Norton



John Paschetto



Norman Powell



Jennifer Reeve



Craig Rushmore



Regina Schoenberg



Timothy Snyder



Amber Zelko