

Medicaid Under the New Budget:
What’s Changing and Who’s Affected

MEDICAID	What Changed	What It Means for You
	Cuts \$1 Trillion in federal Medicaid spending by limiting utilization.	Massive loss in coverage, care, and provider funding.
	Medicaid limited to legal permanent residents (LPR’s) of 5+ yrs, Cuban-Haitian entrants, COFA migrants, and certain children/pregnant people	DACA recipients and many other immigrants lose eligibility. <i>Effective Oct 1, 2026</i>
	Medicare ends for many lawfully present immigrants.	Only LPRs, Cuban-Haitian entrants, and COFA migrants remain eligible. <i>Effective Within 18 months</i>
	Federal reimbursement rate lowered for emergency Medicaid services provided to undocumented immigrants and others who are ineligible for full Medicaid due to their immigration status.	States bear higher costs for rendering emergency services to immigrants <i>Effective Oct 1, 2026</i>
	Mandatory 6-month Medicaid eligibility redeterminations.	Higher loss of continuous coverage, especially for low-income adults, especially through bureaucratic hurdles for reapplication. <i>Begins Dec 31, 2026</i>
	Retroactive Medicaid coverage is restricted. Limits retroactive coverage to one month prior to application for coverage for expansion enrollees and two months prior to application for coverage for traditional enrollees.	Potential for high and unexpected medical bills. <i>Effective January 1, 2027</i>
	80-hour/month work requirement for able-bodied adults without dependents (ABAWDs) up to age 65 (previously 55) and eliminates exemptions from work requirements for parents with children over age 6.	Risk of mass disenrollment, especially for those with unstable jobs or barriers to documentation. <i>Effective December 31, 2026</i>
	Copays up to \$35 if the household income is at or above 100%–138% of the Federal Poverty Level (FPL).	Financial barrier to accessing care for low-income enrollees. <i>Effective FY2027</i>

Immigration Enforcement & Detention:
What the Budget Funds and Why It Matters

IMMIGRATION	What Changed	What It Means for You
	\$45B for immigration detention through 2029	More detention centers, including families and children; indefinite detention allowed, weakening legal protections for kids.
	ICE detention budget more than quadruples	More people may be detained for longer periods, including vulnerable populations.
	\$32B for aggressive enforcement (e.g., expedited removals, 287(g), Remain in Mexico)	Increases risk of racial profiling, due process violations, and harsh immigration raids.
	\$75B for border militarization (walls, agents, surveillance)	Expands militarized presence in border communities, affecting daily life and safety.
	Harsh policies targeting immigrant children	Children may face indefinite detention, invasive searches, and deportation without court hearings; families may avoid sponsoring kids due to fear.
	\$13.5B to state/local governments for immigration enforcement	Local officials may take extreme actions, increasing civil rights risks in communities.
	\$1B for military involvement in immigration enforcement	Raises concerns about military overreach and potential violations of laws limiting military in civilian roles.
	\$3.3B for DOJ to prosecute immigration offenses	More immigrants could face criminal charges for crossing the border, reviving family separation policies.
	Cap on immigration court growth (max 800 judges)	Only 100 new judges can be hired—far below what’s needed—leading to longer delays and limited access to fair hearings.

Family Support Programs:

How the Budget Changes SNAP and the Child Tax Credit

	What Changed	What It Means for You
SNAP	Eligibility narrowed to citizens, LPRs, COFA migrants, Cuban-Haitian entrants.	Humanitarian immigrants, including asylees, barred from food assistance. <i>Effective date not specified</i>
	Work requirements expanded to adults up to age 65.	Fewer exemptions; more people at risk of losing food aid, especially parents. <i>Effective date not specified</i>
	States will be required to partially fund SNAP (5%-15%) if they have a payment error rate of 6% or higher	States will begin taking on a higher cost of providing SNAP to their residents. Under-resourced states or those with less efficient systems will experience worsening food insecurity. <i>Effective no later than 2028</i>
Child Tax Credit	Child Tax Credit max increased from \$2,000 to \$2,200/child.	Slight increase in benefit amount for some families. <i>Effective immediately</i>
	Individual Taxpayer Identification Number (ITIN) children excluded permanently; Social Security Number (SSN) now required for one parent.	Over 2 million citizen children lose CTC due to parents' immigration status.

Nonprofit Tax Update 2025: What’s In, What’s Out, What It Means

Non-Profits Taxes	What Changed	What It Means for You
	1% Floor on Corporate Giving (Section 70426)	Corporations can only deduct charitable donations that exceed 1% of their taxable income. This may reduce how much businesses give to nonprofits.
	Limits on High-Income Donors (Section 70111)	For individuals in the 37% tax bracket, the value of their charitable deduction is capped at 2/37 (about 5.4%) of their income. If they also claim state and local tax deductions, the cap drops to 5/37 (about 13.5%). This reduces the tax benefit for wealthy donors.
	0.5% Floor for Itemizers (Section 70425)	People who itemize must give at least 0.5% of their income to claim a charitable deduction. This could discourage smaller donations.
	Universal Charitable Deduction (Section 70424)	A permanent deduction of up to \$1,000 for individuals and \$2,000 for couples is now available for the approximately 80% of tax filers who don’t itemize. Nonprofits support this but want the deduction amount increased.
	Estate and Gift Tax Exemption (Section 70106)	The exemption is raised to \$15 million for individuals and \$30 million for couples, starting in 2026. This may reduce charitable bequests in wills.
	Excise Tax on High Nonprofit Salaries (Section 70416)	A 21% tax applies to nonprofits that pay OR have paid any employee (current or former since December 31, 2016) over \$1 million. This affects only a few organizations but could reduce funds for services.
	No New Tax on Foundations	The final law does not include a proposed excise tax on private foundations, which would have increased their financial burden and potentially reduced grantmaking capacity.
	No Tax on Transportation Benefits for Nonprofit Employers	A proposed tax on nonprofit employers for providing transportation-related fringe benefits (e.g., parking, transit passes) to employees was not included in the final legislation.
	No 10% Administrative Fee on Combined Federal Campaign Contributions	The bill does not impose a 10% administrative fee on donations made through the Combined Federal Campaign (CFC), preserving the full value of contributions to participating charities.
	No Executive Authority to Revoke Nonprofit Status Without Due Process	A controversial provision that would have allowed the executive branch to unilaterally revoke a nonprofit’s tax-exempt status without due process was excluded from the final law.