



WHY CONSIDER A DONOR ADVISED FUND

A donor advised fund is a simple charitable giving vehicle that you can establish at a public charity, like the Community Foundation. It starts with a donor making an irrevocable contribution of assets that can be granted towards other charitable organizations immediately, or over time. A donor advised fund can be permanently endowed, or not, depending on your goals.

EASY TO SET UP & USE

Starting and using a donor advised fund with us is a quick and straightforward process. After signing a fund agreement and contributing a minimum of \$15,000, you'll be ready to start recommending grants to the causes you care about. The Community Foundation makes it easy to track your giving and work with our team to grow your philanthropic experience.

TAX ADVANTAGES

Regardless of whether you choose to recommend grants to charities from the fund right away or over time, you are eligible for substantial and immediate tax benefits. In addition, the tax deductions for donor advised fund gifts are more advantageous than deductions available through private foundation giving.

DONATION TYPE	DONOR ADVISED FUNDS	PRIVATE FOUNDATIONS
Cash Contributions	Can deduct up to 60% of your adjusted gross income (AGI)	Can deduct up to 30% of AGI
Publicly traded securities held longer than one year	Can deduct up to 30% of AGI — assets valued at fair market value on the date of donation	Can deduct up to 20% of AGI — assets valued at fair market value on the date of donation
Real property and privately held assets	Can deduct up to 30% of AGI — assets valued at fair market value on the date of donation	Can deduct up to 20% of AGI — deductibility limited to the lower of cost basis or fair market value

MORE TAX BENEFITS

- As soon as you make a donation, you are eligible for an immediate tax deduction.
- When donors contribute real property or privately held assets directly to their donor advised fund, they often can eliminate capital gains tax as well as claim the fair market value deduction of the donation up to 30% of adjusted gross income (AGI), providing a double tax incentive to donate these types of assets.
- The IRS permits a carryforward for five tax years, should your charitable deduction exceed AGI limits in a given tax year.
- *Always discuss your charitable giving plans and how it will affect your personal financial or tax situation with your professional advisors.*

