

DONOR ADVISED FUNDS VS. PRIVATE FOUNDATIONS

	Community Foundation Donor Advised Fund	Private Foundation
Income Tax Deductions for Gifts of:		
<i>Cash</i>	<ul style="list-style-type: none"> Up to 50% of adjusted gross income. 	<ul style="list-style-type: none"> Limited to 30% of adjusted gross income.
<i>Appreciated stock</i>	<ul style="list-style-type: none"> Fair market value up to 30% of adjusted gross income. 	<ul style="list-style-type: none"> Fair market value up to 20% of adjusted gross income.
<i>Real estate and closely held stock</i>	<ul style="list-style-type: none"> Fair market value up to 30% of adjusted gross income. 	<ul style="list-style-type: none"> Cost basis up to 20% of adjusted gross income.
Other Tax Issues:		
<i>Excise Tax</i>	<ul style="list-style-type: none"> None. 	<ul style="list-style-type: none"> Pay 2% on net investment income.
<i>Tax Return</i>	<ul style="list-style-type: none"> Encompassed by overall Community Foundation Return. 	<ul style="list-style-type: none"> Annual Federal return required.
Grantmaking Support:		
	<ul style="list-style-type: none"> Professional staff is available to help identify and assess grantees, provide input on community needs, and verify non-profit status of groups. 	<ul style="list-style-type: none"> Donors must arrange and support their own grantmaking and monitoring structure.
Costs:		
<i>Initial costs</i>	<ul style="list-style-type: none"> None. 	<ul style="list-style-type: none"> Several thousand dollars for legal and accounting expenses and filing fees.
<i>Ongoing costs</i>	<ul style="list-style-type: none"> Pooled administration; annual fee. 	<ul style="list-style-type: none"> Several thousand dollars for legal and accounting expenses and filing fees.
Public Disclosure:		
<i>Reporting</i>	<ul style="list-style-type: none"> Community foundation handles annual reporting. No individual reports required. Contributions can be anonymous. 	<ul style="list-style-type: none"> Annual 990 tax form must be filed and open to public with detailed reporting.

