Donor-Advised Fund

Advantages

JEWISH COMMUNAL FUND Your personal connection to charitable giving®

A donor-advised fund is a simple, cost-effective way for individuals to achieve their tax* and philanthropic objectives without the limitations and administrative burdens of a private foundation.

	Donor-Advised Fund	Private Foundations
Cash contributions	Deductible up to 50% of adjusted gross income	Deductible up to 30% of adjusted gross income
Appreciated marketable securities	Deductible up to 30% of adjusted gross income	Deductible up to 20% of adjusted gross income
Closely held stock and most other appreciated property	Deductible at fair market value up to 30% of adjusted gross income	Deductible at cost up to 20% of adjusted gross income
Required annual distributions	None	5% of assets
Excise tax on net investment income	None	1% - 2%
Annual tax reporting	None	Annual Federal and State returns
Legal and accounting fees	None	Required annually
Confidentiality	Can grant anonymously	990-PF must be publicly disclosed

Who should consider using a Donor-Advised Fund?

A donor-advised fund may be appropriate for individuals who:

1. give charitable donations to a variety of organizations and are too busy to worry about tracking receipts;
2. have a private foundation and want to eliminate the paperwork and expense;
3. want to create a succession plan for their private foundation;
4. have highly appreciated securities and want to avoid paying capital gains taxes;
5. are contemplating the sale or liquidation of a business and want to reduce their tax liability;
6. want to pass on a legacy of charitable giving to their children, without the expense of a private foundation.

What is required to establish a Donor-Advised Fund?

A donor-advised fund at the Jewish Communal Fund may be established quickly and easily by submitting a donor application and making an initial contribution of at least $5,000 in cash or securities. The donor receives a tax deduction for the year in which the contribution is made and may recommend grants to most IRS-qualified public charities.

For more information, please contact Ellen Israelson at the Jewish Communal Fund (212-752-8277, ext. 13).

* This information is not intended to serve as legal or tax advice. Individuals should consult their legal or tax advisor to review their personal situation.

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