

Donor Advised Funds

DISCLAIMER

The materials available on this website are for informational purposes only and not for the purpose of providing financial, legal or accounting advice. You should contact your attorney, accountant and financial advisor to obtain information on any particular issue or problem. The opinions expressed at or through this site may not reflect the views of Give Something Back or any one individual. All potential donors should consult the Internal Revenue Code of 1986; specifically, the section entitled "Exempt Organizations Examination Guidelines" (Section 4.76.51) for additional information.

DONATING FROM A DONOR ADVISED FUND

Donors may wish to recommend a donation to Give Something Back from a Donor Advised Fund (DAF). A DAF is created when a donor wishes to support numerous charities over a period of time. The DAF allows an immediate charitable tax deduction and spares the donors the additional costs of administering their own private foundation. The assets within a DAF grow with interest, tax-free.

WHAT ARE THE BENEFITS?

- A donor wishes to provide significant support for the Give Something Back Charity as well as other charitable organizations.
- A donor likes the simplicity of a central source for giving and is concerned with the expense of starting and maintaining a private foundation.
- A donor wants to secure a charitable deduction now, but defer any decisions about the beneficiaries of the gift.
- With a fully deductible gift of cash, appreciated securities or property to a DAF, the donor can create a fund in his/her name or the name of a loved one.
- A donor does not incur any of the legal, administrative or reporting requirements of a private foundation.
- The value of the assets within a DAF are able to grow with interest, tax-free.
- The DAF account sponsor administers the fund, writes the checks and makes the distributions. The donor receives documentations of all distributions made within each period. Regular statements on the account balance are given.

FAQ'S

Is a donor able to claim tax deductions for the annual distributions a DAF makes to Give Something Back and other charities?

No. A donor may claim a deduction of income for each year in which you make a gift to your donor advised fund, but you may not claim a deduction for the amounts the donor advised fund later distributes to the Give Something Back Charity or other charities.

Will a donor be able to tell the charity how to use the money it gets from the DAF?

Yes. When donors recommend distributions from a donor advised fund, they're able to recommend a particular use for the funds. For example, a donor may want to support a partner school of the Give Something Back Charity.

DISCLAIMER REGARDING RESTRICTED/DONOR DIRECTED GIFTS

"If such use (donor directed funds) should prove to be impracticable or undesirable for any reason as the Trustees may determine, in their sole discretion, they shall then provide for alternative uses of the funds in a manner consistent with and reflecting the spirit of the original gift."