

Donor Advised Funds

Comparing Donor Options

There are a number of options available for individuals or families that wish to play an active role in their charitable giving. This chart compares the benefits of hosting a donor advised fund at the community foundation versus a commercial gift fund or, for larger funds, creating your own private foundation.

	Commercial Gift Fund	GWCF	Private Foundation
Federal Income Tax Deduction			
Cash Gifts	60% Adjusted Gross Income	60% Adjusted Gross Income	Limited to 30% AGI
Appreciated Public Traded Securities	Fair market value, limited to 30% of AGI	Fair market value, limited to 30% of AGI	Fair market value, limited to 20% AGI
Other Appreciated Property	Fair market value, limited to 30% AGI	Fair market value, limited to 30% AGI	Cost Basis, limited to 20% AGI
Carryover	Yes, 5 years	Yes, 5 years	Yes, 5 years
Operations			
Required to establish	Simple form	Simple form	Create new legal entity
Payout requirement	None*	None*	5% of foundation assets
Excise tax on invested income	None	None	Yes
Restrictions on scholarships and grants to individuals	Yes	Yes	Yes
IRS form 990	No	No	Yes
State tax filing	No	No	Yes
Privacy/anonymity	Yes	Yes	No
Make grants to any 501(c)(3) nonprofit public charity	Yes	Yes	Yes
Philanthropic Services			
Grantmaking consultation	Varies	Yes, no additional fee	Requires staff or consultant
Informational programs and events	Varies	Yes	Find on your own
Research and evaluation of potential grantees	Varies	Yes	Requires staff or consultant
Full range of planned giving opportunities to add to fund	Varies	Yes	Limited

* No payout requirement, most DAF providers require that grants be made within three years of gift. GWCF encourages DAF holders to make at least one grant per year.