



American Heart Association®

Donor Advised Fund

Donor Advised Funds are a Great Complement to a Private Foundation

Donor Advised Funds are most often compared to Private Foundations yet there are some very distinct differences between the giving vehicles. Both gift types can work independently but can realize tremendous giving potential when used in concert. Some of the differences include:

	Donor Advised Funds	Private Foundations
Startup expense and speed to create	No startup cost Can be created immediately	Legal costs and startup fees; typically takes several weeks and/or months to establish; requires State and Federal Government approval
Donor selects account name	Yes	Yes
Privacy	Anonymity permitted	No – IRS requires a Form 990-PF to be filed each year to report assets; name and address of each Donor and Charitable Recipient
Excise Tax	None	Typically 2% of the annual net investment income
Tax deductions limits*	60% of adjusted gross income for Cash gift; 30% of adjusted gross income for Stock or Real Property	30% of adjusted gross income for Cash gift; 20% of adjusted gross income for Stock or Real Property
Required Distribution	None	5% annually of the net asset value
Investment Options	Donor selects investment advisor	Wide range
Administration, Annual Filings and Compliance	A minimum annual fee of \$250 is prorated and charged against each fund quarterly; the assets in each DAF may carry its own fees and underlying expenses. Contact a Charitable Gift Consultant at (888) 227-5242 for the fee schedule	Separate Tax Return Separate Financial Audit Separate Compliance

*Income tax charitable deductions greater than these limits may be carried forward five additional years.