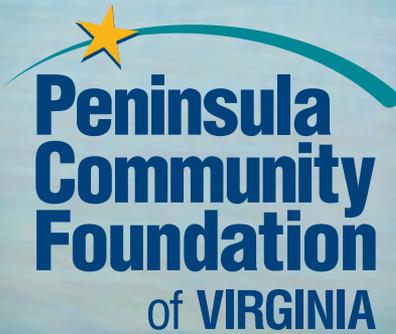


**Donor Advised Funds**  
*The power of giving, simplified.*



A scenic view of a curved wooden walkway or bridge over a body of water. The walkway has a white railing and is supported by numerous wooden posts. The water reflects the sky and the surrounding trees. In the background, there are dense trees with vibrant autumn foliage in shades of yellow, orange, and green. The sky is a clear, bright blue. The overall atmosphere is peaceful and natural.

The Peninsula  
Community Foundation  
is dedicated to  
improving  
the community  
where you live.

**We can help you** on your path  
to personal philanthropy  
by making it easier for you **to do good.**

**We match your interests** in the arts, education,  
economic development or other causes  
**with charities that share your passion.**

**You decide** whether you want  
**to give now or later,**  
**but you receive the tax advantages now**  
and our personalized services create  
a seamless giving process for you.

**Your giving helps your community**  
and everyone benefits. Together we  
can **create something special**  
**that will last forever.**



# Donor Advised Funds

*The power of giving, simplified.*

*A donor advised fund is a charitable giving vehicle where an individual, family or corporation makes an irrevocable, tax-deductible contribution of cash, marketable securities, or other assets to a charity and at any time thereafter can recommend grant distributions to qualified charitable organizations.*

## Benefits of Donor Advised Funds

Few charitable giving options provide the versatility and tax efficiency that Donor Advised Funds do. Today's Donor Advised Funds provide many benefits. You can:

- **Enjoy an immediate tax deduction**

Your contributions are fully tax deductible in the year they are made.

- **Donate appreciated securities tax free**

When you donate appreciated securities to a Donor Advised Fund, you may immediately deduct their fair market value from your taxes, without incurring any capital gains liability.

- **Create a legacy of giving**

You and any other persons you designate, may recommend grants from your account. You also have the ability to select successors, who can continue your charitable legacy by recommending grants beyond your lifetime.

- **Separate tax planning and charitable decisions**

Immediate tax advantages through contributions can be achieved now and grants can be recommended to charities later. Donor Advised Funds can help eliminate the year end pressure to select a charity and make a grant.

- **Record keeping made easy**

Donor Advised Funds provide consolidated reporting and record keeping. You'll receive quarterly account statements, gift receipts and IRS ready tax information. There is no need to hire your own attorney to draft trust documents and no need to hire a CPA to draft an individual return for your account.

## Funding a Donor Advised Fund

The Peninsula Community Foundation Donor Advised Funds can be established with as little as \$5,000. Multiple assets and securities can be contributed to establish your account. You simply complete the donor information paperwork, fund the account or name the fund as the beneficiary of your assets to be funded at a later date.

You may use any of the following to fund your account:

### ■ Cash

Cash can be wired, transferred from an existing account or mailed in with your donor information paperwork.

### ■ Publicly traded stocks, bonds and mutual funds

Publicly traded stocks, bond and mutual funds can be transferred from their existing account at another financial institution or fund family.

### ■ Private foundations

Simplify your charitable giving by transferring the assets in your private foundation to a Donor Advised Fund. This enables you to continue with your charitable bequests without the numerous hassles associated with the management of a private foundation.

### ■ Restricted, closely held or non-publicly traded securities

If the contribution involves restricted stock or other non-publicly traded securities, please contact us for assistance.

### ■ Real estate

Real estate contributed to a Donor Advised Fund is made on a case-by-case basis. Please contact us so that we have your property reviewed for eligibility. Please note that real estate donated must be unencumbered to qualify for review.

### ■ Deferred contributions

Donor Advised Funds can be named as the beneficiary of, and receive distributions from, a charitable bequest, a charitable remainder trust, a charitable lead trust or a qualified retirement plan. Simply name the Donor Advised Fund of your choice in care of the donor's account.



HAMPTON ROADS CONVENTION CENTER



**LUCKY DANNY II**  
RICHMOND, VA

**ANDY TWO**  
RICHMOND, VA

*Easy Boat*

WARREN, N.C.

## Tax advantages of a Donor Advised Fund

Contributions made to a Donor Advised Fund are irrevocable and fully deductible as of the date it leaves your control. The extent of your deduction will depend on the type of asset being contributed and your particular tax situation. Please consult your legal and tax advisors for more information.

### ■ Cash contributions

Cash contributions are eligible for a federal income tax deduction, up to a maximum of 50% of your adjusted gross income in the tax year in which the contribution is made. If your contribution exceeds this limit, you may carry forward the deduction up to five (5) years.

### ■ Publicly traded securities

For publicly traded securities held for more than one year, the amount of the deduction is the mean value of the high and low prices of the security on the date of the contribution. You may generally deduct up to 30% of your adjusted gross income for contributions of appreciated securities held more than one year.

For securities held for one year or less, the allowable deduction will be based on either your cost basis or fair market value, whichever is lower.

If your contribution of securities is greater than 30% of your adjusted gross income, you may carry the deduction up to five (5) years.

### ■ Estate taxes

All contributions to a Donor Advised Fund are separate from your estate and therefore are not subject to either estate taxes or probate.

### ■ Account income

Any income that may accrue to the account from investment growth is exempt from taxes, but is not deductible.

### ■ Capital gains

One of the most rewarding benefits of Donor Advised Funds is the ability to contribute appreciated securities without incurring any capital gains tax liability.

## Establishing a Donor Advised Fund

Establishing a Donor Advised Fund is easy. We will talk with you about your goals for your fund and create a simple agreement to be signed. Below is an explanation of the items you will need to consider to establish a fund with the Foundation.

### ■ Name your account

You'll be asked to choose a name for your Donor Advised Fund account. You may want to name the account after your family, your business or have the name reflect the charitable goals of the account, for example, "The Jones Family Charitable Foundation" or "The Wilson Fund for the Arts".

### ■ Name account advisors

You may name one or more account advisors to your Donor Advised Fund who along with you will also be able to recommend grants from the fund.

### ■ Name account successors or charitable beneficiaries

You may name one or more account successors or charitable beneficiaries to your account. A successor gains full responsibility for decisions relating to the account upon the death of all the original donors, and has the authority to make contributions, recommend grants, and name advisors and their future account successors. If you do not wish to name successors you may name a charity or charities to be the beneficiary of the remaining assets in your account.

### ■ Select a charitable area of interest

If you wish, you can designate a charitable organization or area of interest you'd like your grants to support. You could include a specific charitable organization, a university, a particular type of research (for example, cancer or arthritis research) or an area of interest (for example, protecting the environment or supporting the arts in your community).



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images in this brochure:

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IMAGE: © Bob Harper Photography

