

Giving Complex Assets to the Boston Foundation

Non-Cash Gifts to Donor Advised Funds Yield More Resources for Charity

As a professional advisor, you know that much of your clients' wealth is held in non-cash (complex) assets such as appreciated securities, real estate and privately held stock or limited partnerships. When these holdings are transferred to a Donor Advised Fund at the Boston Foundation, they can be sold without incurring capital gains taxes and the proceeds can be given to charity—an arrangement that benefits your clients as well as the many worthy causes they care about. In particular, small charities that cannot manage complex gifts can benefit from the sale of non-cash assets given to a Boston Foundation Donor Advised Fund.

What types of assets does the Boston Foundation accept?

- Appreciated securities
- IRAs, retirement accounts
- Miscellaneous or unique assets (patents, mineral rights, royalties)
- Real estate
- Restricted stock
- Privately held interests (C-Corp and S-Corp stock, limited partnerships or LLCs)
- Tangible personal property (art collections, yachts)
- Whole life insurance policies, annuities

How do donors benefit?

- **Tax deductions:** Gifts of appreciated securities and real estate to a Donor Advised Fund are eligible for the full fair market-value deduction.
- **Greater philanthropic impact:** Because complex assets placed in a client's Donor Advised Fund before they are sold do not generally incur capital-gains taxes, clients have more resources to give to charity.
- **Access** to the Foundation staff's deep knowledge of local nonprofits working to solve some of the region's most intractable problems. Development and Donor Services staff members are always ready to work with donors who would like help deciding which charities to support.
- **Online grant making** and fund services.

The Boston Foundation 

GRANT MAKING

CHARITABLE ASSET MANAGEMENT

SYSTEMIC CHANGE

How do advisors benefit?

- **Access** to our experts, who have decades of experience handling gifts of complex assets.
- **Easy compliance** with due-diligence and IRS rules.
- **No complications:** Having the Boston Foundation handle the sale of non-cash assets frees you and your clients from administrative and legal burdens.

How do charities benefit?

- **Bigger gifts:** Donors who do not have tax liabilities have more to give to charity.
- **No due diligence or overhead** associated with processing non-cash gifts.
- **The ability to stay focused** on the mission at hand.

How the Boston Foundation Works with Advisors

As one of the nation's oldest and largest community foundations, with \$1.1 billion in philanthropic assets under management, the Boston Foundation works closely with financial, legal, wealth and other advisors to meet their clients' charitable goals.

The Foundation's Professional Advisors Committee (PAC) offers counsel on matters important to the advisor community. Its Professional Advisors Network (PAN) helps advisors with 10-15 years of experience learn more about philanthropy while networking with like-minded professionals. The Foundation hosts educational events (often eligible for continuing education credit) and informal networking opportunities several times a year.

Advisors interested in being invited to events or learning more should contact Megan.Hathaway@tbf.org or call 617-338-2276. Information is also available online at www.tbf.org/advisors.

Contact Vice President & Chief Philanthropy Officer Kate Guedj, at kate.guedj@tbf.org or 617-338-2670 to discuss the assets your clients would like to transfer. She can advise you on the type of documentation and agreements that will be needed to execute the gift.

Generally, the donor is responsible for a gift appraisal, which the Foundation will use for valuation purposes. In the case of all assets except cash and marketable securities, donors also provide a Form 8283 (non-cash charitable contributions report) for execution by the Foundation. Costs incurred to evaluate, acquire, carry or sell a non-cash asset will reduce the net proceeds credited to the beneficiary fund.

Note: The Boston Foundation is not a licensed tax advisor. Donors should work with their financial, tax or legal professional to determine the best charitable giving strategy for their needs.