

# Managed Funds

At the Boston Foundation

## COMPARING DONOR ADVISED FUNDS AND PRIVATE FOUNDATIONS

	Donor Advised Fund	Private Foundation
<b>Federal Income Tax Deduction</b>		
Cash Gifts	Limited to 60% Adjusted Gross Income (AGI) until 12/31/2020, 50% thereafter	Limited to 30% AGI
Appreciated Publicly Traded Securities	Fair Market Value, limited to 30% AGI	Fair Market Value, limited to 20% AGI
Other Appreciated Property (incl. real estate & closely held business interests)	Fair Market Value, limited to 30% AGI	Fair Market Value, limited to 20% AGI
Other Appreciated Property (incl. real estate & closely held business interests)	Fair Market Value, limited to 30% AGI	Cost Basis, limited to 20% AGI
Carryover	Yes, 5 years	Yes, 5 years
<b>Operations</b>		
Required to establish	Simple form	Create new legal entity
Payout requirement	None	Yes, 5% of foundation's assets
Excise tax on investment income	None	Yes, 2% of foundation's net annual investment income
Restrictions on scholarship grants	Yes	Yes
IRS form 990	No	Yes
State tax filing	No	Yes
Privacy/anonymity	Yes, full anonymity if desired	No, foundation tax filings are public documents easily found online
Make grants to any qualified 501(c)(3) nonprofit	Yes	Yes
<b>Philanthropic Services</b>		
Grant-making consultation	Yes, no additional fee	Requires staff or consultant
Informational programs and events	Yes, no additional fee	Requires staff or consultant
Research and evaluation of potential grantees	Yes, no additional fee	Requires staff or consultant
Full range of planned giving opportunities to add to fund	Yes	Legal fees apply

This chart is simplified for clarity. The Boston Foundation does not provide legal, tax or financial advice.

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