

Charitable Comparison Chart

Attributes	Outright Gift to Charity	Private Foundations	East Texas Communities Foundation	Supporting Organizations
Amount Deductible				
Publicly Traded Securities	FMV*	FMV*	FMV*	FMV*
Other Appreciated Property	FMV*	Limited to Cost Basis	FMV*	FMV*
Percentage Limitations				
Cash Gifts	50% of AGI**	30% of AGI**	50% of AGI**	50% of AGI**
Appreciated Property	30% of AGI**	20% of AGI**	30% of AGI**	30% of AGI**
Other Considerations				
Investment Growth		Yes	Yes	Yes
Self Dealing Rules	None	Strict Regulation	Foundation Oversight	Foundation Oversight
Excise on Tax on Investment Income	No Investment Income	2%	None	None
Excess Business Holdings Limitations	Not Applicable	Yes	Yes	Yes
Donor Control	Full	Legal	Advisory	Minority of board members
Anonymity	Yes	No. Must file detailed returns on grants, investments, fees, salaries, etc.	Yes. Donors and grants can be private. Foundation can serve as a buffer between donor and grant-seekers	Limited
5% Distribution Requirement	No	Yes	No	No
Incorporation, Tax Exemption, Audit/ Tax Returns, Directors/ Officers Insurance, Grants Management, Investment Management, Compliance	Not Applicable	Responsible for all functions; foundations less than \$3 million have average expenses ranging from 3-5%, decreasing as the assets grow larger	ETCF handles all administration and investment management with a tiered fee ranging from 1.31-2.25%, decreasing as the assets grow larger	Attached to Communities Foundation yet remains independent- fees are generally between private foundations and communities foundations
Primary Disadvantages	Timing –Gift must be made in same year as income to maximize tax benefits	Compliance, tax reporting, annual payout requirements, tax on investment income, contribution restrictions.	Advisory vs. Ownership control	Minority control, does not eliminate separate accounting and tax reporting
Primary Advantages	Control, family identity	Control, independence, family identity, administrative compensation permitted	Deductibility, nonprofit knowledge, flexibility, permanence, tax-free growth, and no administration	Deductibility, separate board, family identity, more apparent control

*Fair Market Value **Adjusted Gross income