

Donor Advised Fund

A **Donor-Advised Fund (DAF)** is a charitable giving vehicle that offers several strategic and financial benefits for donors. Here are the key advantages:

Simplicity and Convenience

Acts like a **charitable checking account**: contribute once, then recommend grants to multiple charities over time.

- One contribution receipt from the DAF sponsor simplifies recordkeeping for tax filing.

Immediate Tax Deduction

- **When you contribute assets to a DAF**, you get an immediate tax deduction—even if the funds are granted to charities later.
- This is helpful for **year-end tax planning**, wealth events (like a business sale), or offsetting high-income years.

Contribution of Non-Cash Assets

- DAFs accept a wide variety of **non-cash gifts**: stocks, mutual funds, private business interests, real estate, and more.
- You can **avoid capital gains tax** on appreciated assets and deduct the full fair market value (for long-term held assets).

Tax-Free Growth

Funds in a DAF can be **invested and grow tax-free**, increasing the amount available for future charitable grants.

Privacy

You can choose to give **anonymously** through a DAF, which isn't possible with direct donations.

Legacy Planning

DAFs can be used to **involve family in philanthropy**, and many sponsors allow **successors** to continue making grants after your death.

Strategic Giving

You can separate the timing of the tax deduction (when you fund the DAF) from the grant decisions (which can be made later).

This allows for **more thoughtful, intentional giving** over time.