

Donor Advised Funds



We are huge fans of donor advised funds. It costs nothing to create one. It's there when you have the impulse to be generous, but you're not sure where. Put your money in, and figure the rest out later. Meanwhile, BTCF is there to help sharpen your vision and help you think about your giving.

Patty and Tim Crane, Fundholders

A donor advised fund at Berkshire Taconic Community Foundation is simple to establish and operate, allowing you to easily manage your giving without the burden of running a private foundation. When you open a fund, you become part of our donor community, with access to our staff's knowledge of local issues and nonprofits, and opportunities to collaborate with other donors to achieve your desired impact.

With a donor advised fund, you can make contributions to the fund and recommend grants whenever you wish while Berkshire Taconic handles all the investment and administrative details.

As a donor advisor, you may suggest the charities you want to benefit. We ensure that the charity meets IRS guidelines. You may receive an immediate charitable income tax deduction whenever you add assets to the fund. You have 24/7 online access to your fund through DonorCentral, helping you track the grants you make.

Other family members can also be named as advisors, making this type of fund an attractive option for donors who wish children and other family members to carry on a tradition of family giving. Unlike private foundations, which are required to distribute 5% of their assets annually, donor advised funds carry no minimum distribution requirement. You can save for a larger grant award at a future date, or let the fund grow until family members are ready to recommend grants.

After the passing of the last fund advisor, donor advised funds retain their name and preserve your legacy as field of interest funds that honor and support your favorite causes forever—or they can help support BTCF's Community Fund, addressing a broad range of needs.

Minimum to open a donor advised fund: \$10,000

(More >)

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A Berkshire Taconic Community Foundation donor advised fund will help you support local nonprofits and may be less expensive and easier to manage than the alternative options.

Options	Tax Deductibility	Administrative	Costs	Grantmaking
BTCF Donor Advised Fund	Fully deductible up to 60% AGI* for cash gifts, 30% AGI for gifts of stock, real estate and closely held stock	Can be established immediately No administration or tax reporting required	No start up costs; fees starting at 1.5% of assets and declining for larger funds; \$10,000 minimum contribution Fees reinvested into the community	Deep knowledge of local needs and nonprofits. No minimum annual payout Our staff is available to help you identify where your gifts will have the most impact
Private Foundation	Fully deductible up to 30% AGI for cash gifts, 20% AGI for gifts of stock Deduction limited to cost basis for gifts of real estate and closely held stock	Several months to establish Annual tax return required including detailed financial schedules	Several thousand dollars in legal, accounting and filing fees; 1.39% excise tax on net investment income Not cost effective unless \$10 million or more	5% minimum annual payout required You must arrange and support your own grantmaking structure
Commercial Gift Fund	Fully deductible up to 60% AGI for cash gifts, 30% AGI for gifts of stock	Can be established immediately No administration or tax reporting required	Fees and minimum contributions vary Fees support corporate entity	No knowledge of local needs or nonprofits; Payouts may require a min. of 5% of net assets on a 5-yr. rolling basis Most do not offer personalized advice on grantee selection

*Adjusted gross income