

# CHARITABLE FUNDS



A CHARITABLE FUND at a community foundation is a smart choice for individuals, families or organizations that want a strategic and simple approach to their long-term philanthropic giving. These funds offer flexibility for donors, allowing them to choose their level of involvement. Some donors wish to recommend every grant that comes from their fund, while others wish to convey their charitable intent to the foundation and let them make the best decisions for the community. With a variety of charitable fund types, Chillicothe-Ross Community Foundation has a solution to fulfill nearly every donor's charitable wishes.

Most of our funds require an initial tax-deductible donation of \$5,000. This establishes your fund, which you are then able to name as you wish – after your family or business, or in a way that provides you anonymity. We suggest getting started by meeting with our staff to discuss the fund options that best fit your charitable needs. We also suggest you bring your professional advisor(s), such as your attorney, accountant or financial planner, along for this discussion, as they can also help you make the most tax-advantageous decisions for your financial situation. Combined, we'll find the perfect solution for your charitable giving.

## BENEFITS OF A CHARITABLE FUND

### Low cost

Donors never have to pay out-of-pocket fees for their charitable fund. We deduct a modest fee (around 2%) to cover administration and investment costs, but only after you have received a full tax deduction for gifts to your fund.

### No administration

Chillicothe-Ross Community Foundation handles all the due diligence, record keeping, check writing, gift acknowledgments and tax filings.

### Tax deductibility

Donations to our funds are deductible up to 60% of adjusted gross income on gifts of cash, and 30% on gifts of appreciated assets like stock, mutual funds and real estate – the largest deduction allowed by law. Donating long-term appreciated assets to a fund may even eliminate capital gains taxes.

### Strategic giving

A fund gives you time to plan your charitable giving. You can establish the fund when it makes the most tax sense, but wait to distribute grants from the fund when the right charity or project comes along. In the meantime, your fund's assets will be invested, with earnings growing untaxed.

### Legacy

Your fund can make a statement. It can be named for your family or company, or in honor of a colleague or loved one. You also have the option to endow your fund so it will grow in perpetuity. The dollars available for grantmaking will be limited, ensuring your fund lasts forever.

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