

Chart C

	Donor Advised Fund	Supporting Organization	Private Foundation
Initial Costs	Little or none (often covered by sponsoring organization). Can be established immediately.	Legal fees and other initial costs can be substantial. Typically takes several weeks and often a few months to create.	Legal fees and other initial costs can be substantial. Typically takes several weeks and often a few months to create.
Ongoing Administrative and Management Fees	Varies with sponsoring organization and level of services; typically less than SOs or PFs.	Varies with choice of SO board and level of services required. Must file annual tax returns and manage and administer all functions.	Varies with choice of board and level of services required. Must file annual tax returns and manage and administer all functions.
Tax Deduction Limits for Gifts of Cash	50% of adjusted gross income.	50% of adjusted gross income.	30% of adjusted gross income.
Tax Deduction Limits for Gifts of Stock or Real Property	Generally 30% of adjusted gross income.	Generally 30% of adjusted gross income.	Generally 30% of adjusted gross income.
Excise Taxes	No excise tax on net investment income.	No excise tax on net investment income.	Excise tax of 1% to 2% on net investment income annually.
Valuation of Gifts	Generally fair market value.	Generally fair market value.	Generally fair market value for publicly traded stock. Cost basis for all other gifts, including gifts of closely held stock or real property.
Control of Grants and Assets	Donor may recommend grants and investments, but the DAF sponsor has legal control and makes all final decisions.	Donor may recommend grants and investments, but the SO board makes the final decisions. The supported organization may control the board.	The PF board (which may consist of or be controlled by the donor family) has complete control of all grant-making and investment decisions, subject to self-dealing rules.
Required Payout	None at present. However, Congress may mandate minimum payouts in the future.	None, but must demonstrate ongoing support for named public charities or causes.	Must expend 5% of the net value of assets, regardless of how much the assets earn.
Privacy	If desired, donor may recommend anonymous gifts. Some, but not all, sponsoring organizations must file detailed and public tax returns on investment fees, trustee fees, staff salaries, grants, etc.	Must file detailed and public tax returns on investment fees, trustee fees, staff salaries, grants, etc.	Must file detailed and public tax returns on investment fees, trustee fees, staff salaries, grants, etc.
Governance and Succession	Donors may name advisors to recommend grants and investments. Donors may also name successors to these advisors, and ensure a continuing legacy.	Opportunities for board selection, and bringing in the next generation. Majority of board must at all times be independent, non-family trustees, typically appointed by named public charity.	Opportunities for board selection, training and bringing in the next generation are greater. No restrictions regarding who serves on the board.
Perpetuity	Donor advised funds can exist in perpetuity.	Supporting organizations can exist in perpetuity.	Private foundations can exist in perpetuity.