



Choosing between a private foundation and a donor advised fund

Though private foundations may appear to be efficient ways to support the ministries close to your heart, there are some differences to be aware of between private foundations and a typical donor advised fund. For more information, please contact the Wycliffe Foundation.

Features	Wycliffe Donor Advised Fund	Private or family foundation
Donor must obtain counsel to establish fund	No	Yes
Donor responsible for record keeping and tax return preparation	No	Yes
Maximum income tax charitable deduction allowed per year	30 percent of adjusted gross income for property gifts, 50 percent for cash gifts	20 percent of adjusted gross income for property gifts, 30 percent for cash gifts
Minimum annual distribution requirement	5 percent of fund assets	5 percent of fun assets
Tax on net investment income	None	2 percent
Donor can designate a family member for advisory role in future years	Yes	Yes
Excise taxes	No	Yes
Anonymity	Donor may retain anonymity	Information is public record