Meeting multiple goals

DAFs are governed by an agreement between the sponsoring organization and the donor. Some other advantages:

- Could allow for anonymous giving.
- May enable family members, such as children and grandchildren, to participate in charitable giving decisions.
- Possibly reduces estate taxes because contributions are removed from your taxable estate.

Providing charitable support today

If you have established, or plan to establish, a DAF account, consider using it to continue your generous support of our work. To make a gift from your DAF, simply contact your sponsoring organization to recommend a grant and give them our legal name, federal tax ID number and our mailing address. Please let us know you are doing so, and we will keep you informed about the impact of your generosity.

Leave a legacy

You can also name us as the recipient of funds from a terminating DAF. In most cases this is a simple process (similar to naming a beneficiary of a retirement plan or life insurance policy). Contact your DAF administrator for more information and instructions.

More information

DAFs are one of many ways to continue your charitable support now and in the future. To learn more about other ways to include us in your estate and financial plans, contact us.

YOUR LOGO HERE
Logos can be full color.

Charlotte Smith
Development Director
1234 First St.
Memphis, TN 38109
901.234.5678
www.yourorganization.org
charlotte.smith@yourorganization.org

The purpose of this publication is solely educational, namely to provide general gift, estate, financial planning and related information. It is not intended as legal, accounting or other professional advice, and you should not rely on it as such. For assistance in planning charitable gifts with tax and other implications, the services of appropriate and qualified advisors should be obtained. Consult an attorney for advice if your plans require revision of a will or other legal document. Consult a tax and/or accounting specialist for advice regarding tax and accounting related matters.
© Copyright 2026 by Sharpe Group. All Rights Reserved.

Giving Through Donor Advised Funds

YOUR LOGO HERE
Logos can be full color.

Donor advised funds (DAFs) are an increasingly popular way to support the charities you care about because of their flexibility, low administration cost and simplified giving process. With both the tax advantages and the flexibility they offer, donor advised funds may help you maximize the impact of your charitable gifts.

How DAFs work

Donor advised funds are designed to encourage charitable giving and are administered by a sponsoring organization—usually a community foundation, financial institution or certain individual charitable organizations.

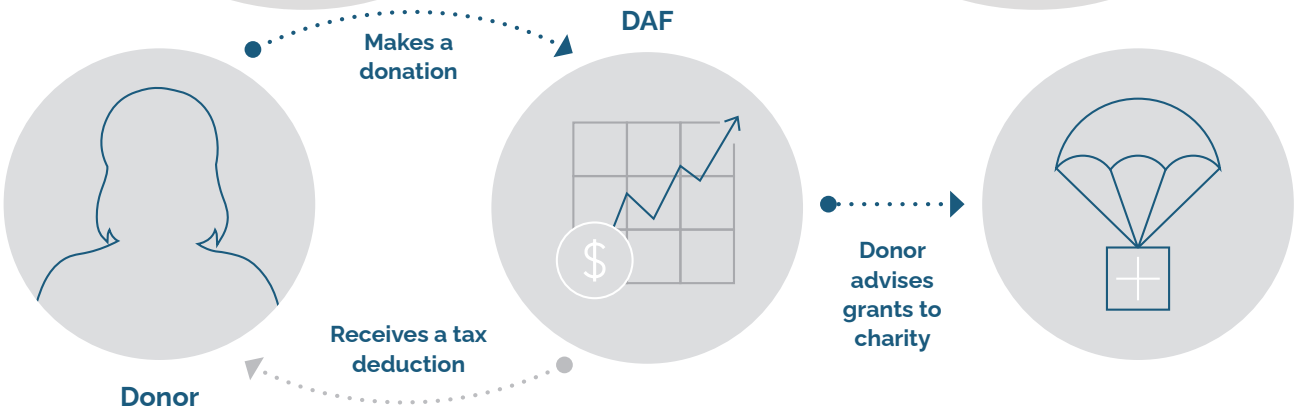
With a DAF, you simply contribute cash, stocks or other appropriate assets, and the funds are invested for tax-free growth. In return, you receive a tax deduction in the year of the gift. (You can carry forward any unused deduction for five additional years if needed). At some time in the future, you request grants be made to IRS-qualified charities you designate.

The benefits of DAFs

When it comes to tax planning, donor advised funds offer several advantages. For instance, you may want to contribute more to your DAF during high-income years, then make grant recommendations when you are ready.

Because of recent tax law changes, most who itemize will find tax savings from charitable gifts to be close to what they enjoyed in the past; however, some new rules apply. Those who will be affected may wish to consider "bunching" deductions in a certain year to be able to itemize and then using the new nonitemizer deduction in other years.

How a Donor Advised Fund Works



Making a large gift to your DAF this year may help you to itemize on your tax return next April.

Assets you can contribute to your donor advised fund

- **Cash:** Cash contributions can lower your taxable income up to 60% of adjusted gross income (AGI).
- **Appreciated securities:** Contributing assets like stocks that are held for over a year allows you to avoid capital gains tax. Appreciated assets can be deducted up to 30% of AGI, with the excesses carried forward up to five years.
- **Other assets:** Depending on the sponsoring organization, you may be able to contribute other assets such as cryptocurrency, hedge fund or private equity investments, private business interests and insurance policies. Check with your sponsoring organization for details.

© SHARPE GROUP