

# Is a DONOR- ADVISED FUND

*Right for You?*

A donor-advised fund (DAF) from the Florida United Methodist Foundation may be an excellent option for you, depending on your financial circumstances.

## HERE'S HOW A DAF WORKS:

- You give a minimum donation of \$2,500 in either cash or appreciated securities to the foundation.
- You receive an immediate tax deduction for the value of your gift. If the deduction can't be used in total during the year the gift was given, it can be carried forward for up to five additional years.
- The foundation invests the funds in a balanced, conservative portfolio so the money will grow over time.
- You name an individual – you, your spouse or someone else – who advises the foundation at least once a year how to distribute your funds. You may recommend up to five 501(c)(3) charities, and gifts must be a minimum of \$100.
- You or others may make additional tax-deductible gifts to the fund at any time.
- Depending on how you structure the DAF, you may appoint a successor advisor when the original advisor dies or is no longer able to fulfill the role, or you may instruct the foundation to convert the DAF to a permanent fund at the foundation, benefiting the charities you designate.



## A DAF is right for you if:

- You are expecting a taxable financial windfall – sale of a business, sale of property that is not your principal residence, a taxable distribution from your or someone else's retirement plan.
- You receive a non-taxable life insurance death benefit, an inheritance or legal settlement.
- You want to consolidate your family's charitable giving into a single fund.
- You would like a lower-cost alternative to a family foundation.
- You want to give now and see how that gift is making a difference while you're still alive.

## Here's a real-life example:

*An anonymous donor sold a business and wanted to minimize his family's tax bill that year. He and his wife were faithful tithers and chose to tithe on the proceeds of the sale. He called the foundation and established a DAF that would provide matching gifts for a capital campaign at his church. He and his family received a charitable deduction the year the gift was made, and they were able to make a meaningful gift to their church over many years, one that encouraged others to be similarly generous.*

**Establishing a DAF with the foundation is a statement of committed, lifelong Christian stewardship, answering God's call to be generous with the gifts we have received.**

*If you feel a DAF is right for you and would like to explore your options, please give us a call. Also consult with your professional advisors before making any gifts.*

For more information, contact us at [foundation@fumf.org](mailto:foundation@fumf.org)  
or 866-363-9673, ext. 7000.