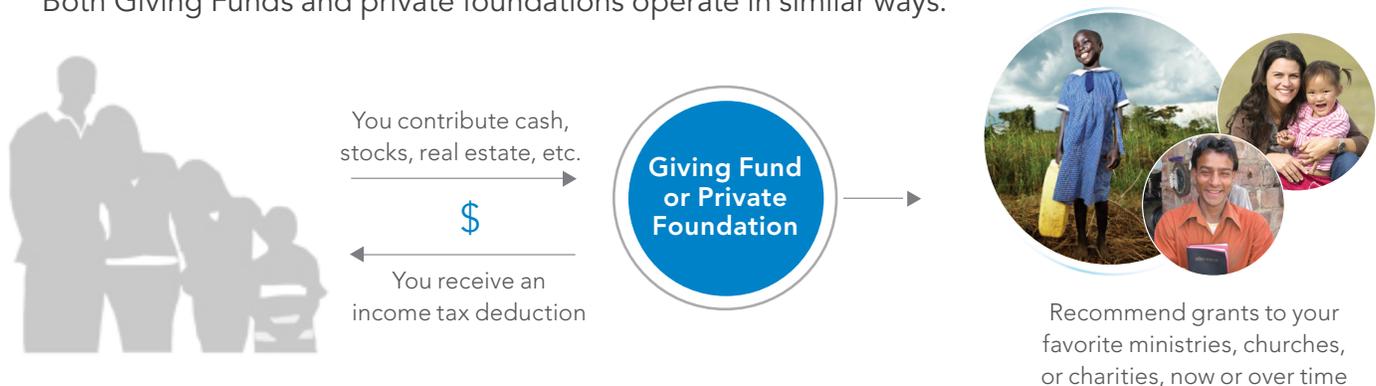


CONSIDERING A PRIVATE FOUNDATION?

Explore the NCF Giving Fund – a compelling alternative to a private foundation

A Giving Fund with National Christian Foundation (NCF) is an easy-to-establish, low-cost, flexible vehicle for charitable giving that is a popular alternative to creating a private foundation. Also known as a donor-advised fund, it's the fastest growing charitable vehicle in America today. An NCF Giving Fund allows you to contribute all kinds of assets, receive an income tax deduction at the time of the donation, and then go online anytime to recommend grants to your favorite ministries and charities.

Both Giving Funds and private foundations operate in similar ways:



HOWEVER, GIVING FUNDS OFFER FOUR SIGNIFICANT BENEFITS

Significant tax advantages

- Greater tax deduction for gifts of appreciated non-liquid assets (Fair Market Value vs cost basis)
- Greater tax deduction for gifts of publicly traded stock (up to 30% of AGI, vs 20%)
- Greater tax deduction for cash gifts (up to 50% of AGI, vs 30%)
- No excise taxes on investment income

Protect giving from public disclosure

- Complete privacy between you and the public
- Grant-making history and amount of charitable assets are not available for outsiders to scrutinize
- Anonymity between you and the receiving charity to prevent unsolicited requests (if you prefer)

Lower costs and easier administration

- Easier to set up and administer
- Lower initial and ongoing costs likely
- No individual IRS reporting or disbursement requirements
- No extra board meetings to attend; no governance liability
- No staff to manage

Greater control over your legacy and liability

- Protect your legacy and Christian values across multiple generations
- Eliminate risk associated with self-dealing
- Help grant recipients meet the public support test

SIMPLIFY YOUR GIVING

- 1 Open a Giving Fund
- 2 Contribute Assets
- 3 Recommend Grants!

Get started today. Visit nationalchristian.com/wisconsin or call 262.796.9910.

COMPARISON CHART

A look at the differences between a private foundation and an NCF Giving Fund (donor-advised fund)

SIGNIFICANT TAX ADVANTAGES

ISSUE / FEATURE	PRIVATE FOUNDATION	GIVING FUND
Tax deduction limits on contributions	<ul style="list-style-type: none"> • Cost basis deduction for appreciated non-liquid assets • 30% of adjusted gross income (AGI) for cash • 20% of AGI for appreciated stock 	<ul style="list-style-type: none"> • Fair Market Value deduction for appreciated non-liquid assets • 50% of adjusted gross income (AGI) for cash • 30% of AGI for appreciated stock
Excise tax	<ul style="list-style-type: none"> • Must pay excise tax on investment income 	<ul style="list-style-type: none"> • None

PROTECT GIVING FROM PUBLIC DISCLOSURE

ISSUE / FEATURE	PRIVATE FOUNDATION	GIVING FUND
Privacy and anonymity	<ul style="list-style-type: none"> • Annual IRS return, grant-making history, amount of family's charitable assets, etc. are all publicly available. 	<ul style="list-style-type: none"> • Philanthropy can be as visible or discreet as giver desires, including complete anonymity with the public and/or receiving charity.

LOWER COSTS AND EASIER ADMINISTRATION

ISSUE / FEATURE	PRIVATE FOUNDATION	GIVING FUND
Start-up costs	<ul style="list-style-type: none"> • Establishing a private foundation can cost as much as \$5,000 - \$20,000+, and requires legal incorporation and IRS approval. 	<ul style="list-style-type: none"> • You can set up a Giving Fund in as little as 30 minutes and do it all online. • No initial set-up costs
Ongoing costs	<ul style="list-style-type: none"> • Most private foundations incur on-going fees for accounting, legal, and administrative staff to oversee the assets, balance the books, pay the bills, keep the records, and file the tax returns. 	<ul style="list-style-type: none"> • All services are provided for a nominal annual assessment. • Enables focus on giving, not administration.
Time commitment	<ul style="list-style-type: none"> • Record keeping and filing for IRS alone takes a significant amount of time each year. • Generates unsolicited charitable requests 	<ul style="list-style-type: none"> • Simply recommend grants online. • No board meetings to attend. • No staff to manage.
Investment flexibility	<ul style="list-style-type: none"> • Limitations on closely-held stock and unconventional investments 	<ul style="list-style-type: none"> • Very flexible. Charitable assets may be invested for growth and even managed by your existing advisor, if desired.

GREATER CONTROL OVER YOUR LEGACY AND LIABILITY

ISSUE / FEATURE	PRIVATE FOUNDATION	GIVING FUND
IRS distribution requirements	<ul style="list-style-type: none"> • 5% per year, regardless of investment performance 	<ul style="list-style-type: none"> • Flexibility with regard to amount and timing
Grant-making verification	<ul style="list-style-type: none"> • Verification of tax-exempt status must be done for each charity receiving a grant 	<ul style="list-style-type: none"> • Quick and simple process for recommending grants (can be done online) • NCF performs due diligence on charity
Governance liability	<ul style="list-style-type: none"> • Board assumes all liability, so many incur additional director and officer insurance costs • High risks and penalties associated with self-dealing 	<ul style="list-style-type: none"> • Giver assumes no liability or insurance costs • Help grant recipients meet the public support test
Continuity of values	<ul style="list-style-type: none"> • Giver family can control 100% of board; however, after giver's death, the board has complete control and can typically change the charter or giving direction at-will. 	<ul style="list-style-type: none"> • Givers have advisory privileges and recommend grants and investment options to NCF. • Continuity of Christian values ensured across generations • Legacy Fund offers great flexibility

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