

Private vs. Community Funds

COMPARISON CHART

	Private Foundation	Community Foundation Fund
AGI Tax Deduction Limitation–Cash	30%	50%
AGI Tax Deduction Limitation–Long Term Capital Gain Property (Publicly-traded Stock, Closely-held Stock and Real Estate)	20%	30%
Gifts of Qualified Appreciated Securities (i.e. Publicly-traded Stock)	Fair Market Value Deduction	Fair Market Value Deduction
Gifts of Real Estate or Closely-Held Stock	Cost Basis Deduction	Fair Market Value Deduction
Privacy/Confidentiality	No; Disclosure of IRS form 990-PF* Is Required	Yes; Confidentiality Maintained
Excise Taxes on the Sale of Highly Appreciated Gifts	Yes	No
Annual Excise Tax Payments	Usually 2% of Net Investment Income	No
Customized/Personal Investment Program for Each Charitable Entity or Fund	Yes	Yes
Ease and Cost of Establishing Charitable Entity	Complex; Legal Expenses, IRS 1023 Application Fees and Expenses and Annual 990-PF Preparation Costs	Simple; No Cost
Annual Minimum Distribution Requirement	5%	None
Personal, Local Service by a Mission-based Organization	No	Yes
Knowledge about Local Nonprofits	No; not without significant and ongoing monitoring of local nonprofit community	Yes; ongoing knowledge of community and local nonprofit organizations
Knowledge about Local Nonprofits: Geographic Area Served	Flexible	Anywhere

* Annual IRS Form 990-PF is a public document, widely available on the internet, and disclosures include the following: Asset size, investment earnings/detail of investments held, board members and addresses, details of grants distributed and detail of contributions made.



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